



February 15, 2005

HOUSE BILL No. 1001

DIGEST OF HB 1001 (Updated February 15, 2003 2:53 PM - DI 51)

Citations Affected: IC 4; IC 5; IC 6; IC 8; IC 14; IC 20; IC 21; noncode.

Synopsis: Budget bill. Appropriates money to carry on state government and make various distributions to schools and other political subdivisions. Provides for the adjustment of property tax replacement credit percentages to limit total state distributions for property tax relief. Applies certain administrative and budget procedures to bodies corporate and politic. Allows the budget agency to prescribe policies for the disposal of surplus property by the state. Transfers powers to set certain fees from the department of natural resources to the natural resources commission. Requires the commission for higher education to establish standards for the transfer of courses between state educational institutions. Requires state educational institutions to offer to resident undergraduate students a guaranteed price option under which tuition cannot be increased, with certain exceptions, during four academic years. Establishes a school funding formula and makes certain other changes concerning education finance. Makes other changes. Repeals obsolete provisions and a provision limiting charter school funding. Makes various appropriations.

Effective: July 1, 2004 (retroactive); upon passage; July 1, 2005.

Espich, Buell, Crawford, Cochran

January 6, 2005, read first time and referred to Committee on Ways and Means.
February 15, 2005, amended reported — Do Pass.

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February 15, 2005

First Regular Session 114th General Assembly (2005)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular or Special Session of the General Assembly.

HOUSE BILL No. 1001

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

1 **SECTION 1. [EFFECTIVE JULY 1, 2005]**

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3 (a) The following definitions apply throughout this act:

4 (1) "Augmentation allowed" means the governor and the budget agency are
5 authorized to add to an appropriation in this act from revenues accruing to the
6 fund from which the appropriation was made.

7 (2) "Biennium" means the period beginning July 1, 2005, and ending June 30, 2007.
8 Appropriations appearing in the biennial column for construction or other permanent
9 improvements do not revert under IC 4-13-2-19 and may be allotted.

10 (3) "Deficiency appropriation" or "special claim" means an appropriation available
11 during the 2004-2005 fiscal year.

12 (4) "Equipment" includes machinery, implements, tools, furniture,
13 furnishings, vehicles, and other articles that have a calculable period of service
14 that exceeds twelve (12) calendar months.

15 (5) "Fee replacement" includes repayment on indebtedness resulting from financing
16 the cost of planning, purchasing, rehabilitation, construction, repair, leasing,
17 lease-purchasing, or otherwise acquiring land, buildings, facilities, and equipment
18 to be used for academic and instructional purposes.

19 (6) "Other operating expense" includes payments for "services other than personal",
20 "services by contract", "supplies, materials, and parts", "grants, subsidies, refunds,
21 and awards", "in-state travel", "out-of-state travel", and "equipment".

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(7) "Pension fund contributions" means the state of Indiana's contributions to a specific retirement fund.

(8) "Personal services" includes payments for salaries and wages to officers and employees of the state (either regular or temporary), payments for compensation awards, and the employer's share of Social Security, health insurance, life insurance, dental insurance, vision insurance, deferred compensation - state match, leave conversion, disability and retirement fund contributions.

(9) "SSBG" means the Social Services Block Grant. This was formerly referred to as "Title XX".

(10) "State agency" means:

- (A) each office, officer, board, commission, department, division, bureau, committee, fund, agency, authority, council, or other instrumentality of the state;
- (B) each hospital, penal institution, and other institutional enterprise of the state;
- (C) the judicial department of the state; and
- (D) the legislative department of the state.

However, this term does not include cities, towns, townships, school cities, school townships, school districts, other municipal corporations or political subdivisions of the state, or universities and colleges supported in whole or in part by state funds.

(11) "Total operating expense" includes payments for both "personal services" and "other operating expense".

(b) The state board of finance may authorize advances to boards or persons having control of the funds of any institution or department of the state of a sum of money out of any appropriation available at such time for the purpose of establishing working capital to provide for payment of expenses in the case of emergency when immediate payment is necessary or expedient. Advance payments shall be made by warrant by the auditor of state, and properly itemized and receipted bills or invoices shall be filed by the board or persons receiving the advance payments.

(c) All money appropriated by this act shall be considered either a direct appropriation or an appropriation from a rotary or revolving fund.

(1) Direct appropriations are subject to withdrawal from the state treasury and for expenditure for such purposes, at such time, and in such manner as may be prescribed by law. Direct appropriations are not subject to return and rewithdrawal from the state treasury, except for the correction of an error which may have occurred in any transaction or for reimbursement of expenditures which have occurred in the same fiscal year.

(2) A rotary or revolving fund is any designated part of a fund that is set apart as working capital in a manner prescribed by law and devoted to a specific purpose or purposes. The fund consists of earnings and income only from certain sources or a combination thereof. The money in the fund shall be used for the purpose designated by law as working capital. The fund at any time consists of the original appropriation thereto, if any, all receipts accrued to the fund, and all money withdrawn from the fund and invested or to be invested. The fund shall be kept intact by separate entries in the auditor of state's office, and no part thereof shall be used for any purpose other than the lawful purpose of the fund or revert to any other fund at any time. However, any unencumbered excess above any prescribed amount shall be transferred to the state general fund at the close of each fiscal year unless otherwise specified in the Indiana Code.

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SECTION 2. [EFFECTIVE JULY 1, 2005]

For the conduct of state government, its offices, funds, boards, commissions, departments, societies, associations, services, agencies, and undertakings, and for other appropriations not otherwise provided by statute, the following sums in SECTIONS 3 through 10 are appropriated for the periods of time designated from the general fund of the state of Indiana or other specifically designated funds.

In this act, whenever there is no specific fund or account designated, the appropriation is from the general fund.

SECTION 3. [EFFECTIVE JULY 1, 2005]

GENERAL GOVERNMENT

A. LEGISLATIVE

FOR THE GENERAL ASSEMBLY

LEGISLATORS' SALARIES - HOUSE

Total Operating Expense	5,013,333	5,014,333
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HOUSE EXPENSES

Total Operating Expense	7,803,042	7,806,100
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LEGISLATORS' SALARIES - SENATE

Total Operating Expense	1,140,203	1,140,703
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SENATE EXPENSES

Total Operating Expense	6,923,331	6,929,700
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Included in the above appropriations for house and senate expenses are funds for a legislative business per diem allowance, meals and other usual and customary expenses associated with legislative affairs. Except as provided below, this allowance is to be paid to each member of the general assembly for every day, including Sundays, during which the general assembly is convened in regular or special session, commencing with the day the session is officially convened and concluding with the day the session is adjourned sine die. However, after five (5) consecutive days of recess, the legislative business per diem allowance is to be made on an individual voucher basis until the recess concludes.

Members of the general assembly are entitled, when authorized by the speaker of the house or the president pro tempore of the senate, to the legislative business per diem allowance for each and every day engaged in official business.

The legislative business per diem allowance that each member of the general assembly is entitled to receive equals the maximum daily amount allowable to employees of the executive branch of the federal government for subsistence expenses while away from home in travel status in the Indianapolis area. The legislative business per diem changes each time there is a change in that maximum daily amount.

In addition to the legislative business per diem allowance, each member of the general

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assembly shall receive the mileage allowance in an amount equal to the standard mileage rates for personally owned transportation equipment established by the federal Internal Revenue Service for each mile necessarily traveled from the member's usual place of residence to the state capitol. However, if the member traveled by a means other than by motor vehicle, and the member's usual place of residence is more than one hundred (100) miles from the state capitol, the member is entitled to reimbursement in an amount equal to the lowest air travel cost incurred in traveling from the usual place of residence to the state capitol. During the period the general assembly is convened in regular or special session, the mileage allowance shall be limited to one (1) round trip each week per member.

Any member of the general assembly who is appointed, either by the governor, speaker of the house, president or president pro tempore of the senate, house or senate minority floor leader, or Indiana legislative council to serve on any research, study, or survey committee or commission, or who attends any meetings authorized or convened under the auspices of the Indiana legislative council, including pre-session conferences and federal-state relations conferences, is entitled, when authorized by the legislative council, to receive the legislative business per diem allowance for each day in actual attendance and is also entitled to a mileage allowance, at the rate specified above, for each mile necessarily traveled from the member's usual place of residence to the state capitol, or other in-state site of the committee, commission, or conference. The per diem allowance and the mileage allowance permitted under this paragraph shall be paid from the legislative council appropriation for legislator and lay member travel unless the member is attending an out-of-state meeting, as authorized by the speaker of the house of representatives or the president pro tempore of the senate, in which case the member is entitled to receive:

- (1) the legislative business per diem allowance for each day the member is engaged in approved out-of-state travel; and
- (2) reimbursement for traveling expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the legislative council.

Notwithstanding the provisions of this or any other statute, the legislative council may adopt, by resolution, travel policies and procedures that apply only to members of the general assembly or to the staffs of the house of representatives, senate, and legislative services agency, or both members and staffs. The legislative council may apply these travel policies and procedures to lay members serving on research, study, or survey committees or commissions that are under the jurisdiction of the legislative council. Notwithstanding any other law, rule, or policy, the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency do not apply to members of the general assembly, to the staffs of the house of representatives, senate, or legislative services agency, or to lay members serving on research, study, or survey committees or commissions under the jurisdiction of the legislative council (if the legislative council applies its travel policies and procedures to lay members under the authority of this SECTION), except that, until the legislative council adopts travel policies and procedures, the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency apply to members of the general assembly, to the staffs of the house of representatives, senate, and legislative

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services agency, and to lay members serving on research, study, or survey committees or commissions under the jurisdiction of the legislative council. The executive director of the legislative services agency is responsible for the administration of travel policies and procedures adopted by the legislative council. The auditor of state shall approve and process claims for reimbursement of travel related expenses under this paragraph based upon the written affirmation of the speaker of the house of representatives, the president pro tempore of the senate, or the executive director of the legislative services agency that those claims comply with the travel policies and procedures adopted by the legislative council. If the funds appropriated for the house and senate expenses and legislative salaries are insufficient to pay all the necessary expenses incurred, including the cost of printing the journals of the house and senate, there is appropriated such further sums as may be necessary to pay such expenses.

LEGISLATORS' SUBSISTENCE

LEGISLATORS' EXPENSES - HOUSE

Total Operating Expense	2,015,396	2,015,396
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LEGISLATORS' EXPENSES - SENATE

Total Operating Expense	1,046,728	1,046,728
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Each member of the general assembly is entitled to a subsistence allowance of forty percent (40%) of the maximum daily amount allowable to employees of the executive branch of the federal government for subsistence expenses while away from home in travel status in the Indianapolis area:

- (1) each day that the general assembly is not convened in regular or special session; and
- (2) each day after the first session day held in November and before the first session day held in January.

However, the subsistence allowance under subdivision (2) may not be paid with respect to any day after the first session day held in November and before the first session day held in January with respect to which all members of the general assembly are entitled to a legislative business per diem.

The subsistence allowance is payable from the appropriations for legislators' subsistence.

The officers of the senate are entitled to the following amounts annually in addition to the subsistence allowance: president pro tempore, \$6,500; assistant president pro tempore, \$2,500; majority floor leader emeritus, \$1,500; majority floor leader, \$5,000; assistant majority floor leader, \$1,000; majority caucus chair, \$5,000; assistant majority caucus chair, \$1,000; appropriations committee chair, \$4,500; tax and fiscal policy committee chair, \$4,500; appropriations committee ranking majority member, \$1,500; tax and fiscal policy committee ranking majority member, \$1,500; majority whip, \$3,500; assistant majority whip, \$1,000; minority floor leader, \$5,500; minority leader pro tempore, \$1,000; minority caucus chair, \$4,500; minority assistant floor leader, \$4,500; appropriations committee ranking minority member, \$2,000; tax and fiscal policy committee ranking minority member, \$2,000; minority whip, \$2,500; assistant minority whip, \$500; and assistant minority caucus chair, \$500.

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Officers of the house of representatives are entitled to the following amounts annually in addition to the subsistence allowance: speaker of the house, \$6,500; speaker pro tempore, \$5,000; deputy speaker pro tempore, \$1,500; majority leader, \$5,000; majority caucus chair, \$5,000; assistant majority caucus chair, \$1,000; ways and means committee chair, \$5,000; ways and means committee ranking majority member, \$3,000; speaker pro tempore emeritus, \$1,500; budget subcommittee chair, \$3,000; majority whip, \$3,500; assistant majority whip, \$1,000; assistant majority leader, \$1,000; minority leader, \$5,500; minority caucus chair, \$4,500; ways and means committee ranking minority member, \$3,500; minority whip, \$2,500; assistant minority leader, \$4,500; second assistant minority leader, \$1,500; and deputy assistant minority leader, \$1,000.

If the funds appropriated for legislators' subsistence are insufficient to pay all the subsistence incurred, there are hereby appropriated such further sums as may be necessary to pay such subsistence.

FOR THE LEGISLATIVE COUNCIL AND THE LEGISLATIVE SERVICES AGENCY

Total Operating Expense	8,475,000	8,880,000
LEGISLATOR AND LAY MEMBER TRAVEL		
Total Operating Expense	570,000	570,000

If the funds above appropriated for the legislative council and the legislative services agency and legislator and lay member travel are insufficient to pay all the necessary expenses incurred, there are hereby appropriated such further sums as may be necessary to pay those expenses.

Any person other than a member of the general assembly who is appointed by the governor as speaker of the house, president or president pro tempore of the senate, house or senate minority floor leader, or legislative council to serve on any research, study, or survey committee or commission is entitled, when authorized by the legislative council, to a per diem instead of subsistence of \$75 per day during the 2005-2007 biennium. In addition to the per diem, such a person is entitled to mileage reimbursement, at the rate specified for members of the general assembly, for each mile necessarily traveled from the person's usual place of residence to the state capitol or other in-state site of the committee, commission, or conference. However, reimbursement for any out-of-state travel expenses claimed by lay members serving on research, study, or survey committees or commissions under the jurisdiction of the legislative council shall be based on SECTION 14 of this act, until the legislative council applies those travel policies and procedures that govern legislators and their staffs to such lay members as authorized elsewhere in this SECTION. The allowance and reimbursement permitted in this paragraph shall be paid from the legislative council appropriations for legislative and lay member travel unless otherwise provided for by a specific appropriation.

LEGISLATIVE COUNCIL CONTINGENCY FUND

Total Operating Expense	223,614
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Disbursements from the fund may be made only for purposes approved by the chairman and vice chairman of the legislative council.



The legislative services agency shall charge the following fees, unless the legislative council sets these or other fees at different rates:

Annual subscription to the session document service for sessions ending in odd-numbered years: \$900

Annual subscription to the session document service for sessions ending in even-numbered years: \$500

Per page charge for copies of legislative documents: \$0.15

Annual charge for interim calendar: \$10

Daily charge for the journal of either house: \$2

PRINTING AND DISTRIBUTION

Total Operating Expense	750,000	840,000
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The above funds are appropriated for the printing and distribution of documents published by the legislative council. These documents include journals, bills, resolutions, enrolled documents, the acts of the first and second regular sessions of the 114th general assembly, the supplements to the Indiana Code for fiscal years 2005-2006 and 2006-2007, and the publication of the Indiana Administrative Code and the Indiana Register. Upon completion of the distribution of the Acts and the supplements to the Indiana Code, as provided in IC 2-6-1.5, remaining copies may be sold at a price or prices periodically determined by the legislative council. If the above appropriation for the printing and distribution of documents published by the legislative council are insufficient to pay all of the necessary expenses incurred, there are hereby appropriated such sums as may be necessary to pay such expenses.

COUNCIL OF STATE GOVERNMENTS ANNUAL DUES

Other Operating Expense	130,084	134,637
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NATIONAL CONFERENCE OF STATE LEGISLATURES ANNUAL DUES

Other Operating Expense	155,109	161,313
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NATIONAL CONFERENCE OF INSURANCE LEGISLATORS ANNUAL DUES

Other Operating Expense	10,000	10,000
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FOR THE INDIANA LOBBY REGISTRATION COMMISSION

Total Operating Expense	218,285	218,395
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FOR THE PUBLIC EMPLOYEES' RETIREMENT FUND LEGISLATORS' RETIREMENT FUND

Total Operating Expense	100,000	100,000
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B. JUDICIAL

FOR THE SUPREME COURT

Personal Services	5,807,737	5,918,803
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Other Operating Expense	1,531,450	1,531,450
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The above appropriation for the supreme court personal services includes the subsistence allowance as provided by IC 33-38-5-8.

LOCAL JUDGES' SALARIES

Personal Services	43,013,592	43,020,198
Other Operating Expense	39,000	39,000

COUNTY PROSECUTORS' SALARIES

Personal Services	18,768,629	18,783,088
Other Operating Expense	31,000	31,000

The above appropriations for county prosecutors' salaries represent the amounts authorized by IC 33-39-6-5 and that are to be paid from the state general fund.

In addition to the appropriations for local judges' salaries and for county prosecutors' salaries, there are hereby appropriated for personal services the amounts that the state is required to pay for salary changes or for additional courts created by the 114th general assembly.

TRIAL COURT OPERATIONS

Total Operating Expense	353,500	353,500
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INDIANA CONFERENCE FOR LEGAL EDUCATION OPPORTUNITY

Total Operating Expense	625,000	625,000
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The above funds are appropriated to the division of state court administration in compliance with the provisions of IC 33-24-13-7.

PUBLIC DEFENDER COMMISSION

Public Defense Fund

Total Operating Expense	4,600,000	4,600,000
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Augmentation allowed.

The above appropriation is made in addition to the distribution authorized by IC 33-37-7-9(c) for the purpose of reimbursing counties for indigent defense services provided to a defendant. The division of state court administration of the supreme court of Indiana shall provide staff support to the commission and shall administer the fund. The administrative costs may come from the fund.

GUARDIAN AD LITEM

Total Operating Expense	802,325	804,133
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The division of state court administration shall use the foregoing appropriation to administer an office of guardian ad litem and court appointed special advocate services and to provide matching funds to counties that are required to implement, in courts with juvenile jurisdiction, a guardian ad litem and court appointed special advocate program for children who are alleged to be victims of child abuse or neglect under IC 31-33 and to administer the program. A county may use these matching funds to supplement amounts collected as fees under IC 31-40-3 to be used for the operation of guardian ad litem and court appointed special advocate programs. The county fiscal

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body shall appropriate adequate funds for the county to be eligible for these matching funds.

CIVIL LEGAL AID

Total Operating Expense	1,000,000	1,000,000
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The above funds are appropriated to the division of state court administration in compliance with the provisions of IC 33-24-12-7.

SPECIAL JUDGES - COUNTY COURTS

Personal Services	15,000	15,000
Other Operating Expense	119,000	119,000

If the funds appropriated above for special judges of county courts are insufficient to pay all of the necessary expenses that the state is required to pay under IC 34-35-1-4 there are hereby appropriated such further sums as may be necessary to pay these expenses.

COMMISSION ON RACE AND GENDER FAIRNESS

Total Operating Expense	260,996	260,996
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FOR THE CLERK OF THE SUPREME AND APPELLATE COURTS

Personal Services	752,945	753,505
Other Operating Expense	185,070	185,070

FOR THE COURT OF APPEALS

Personal Services	7,564,555	7,645,870
Other Operating Expense	1,183,820	1,183,220

The above appropriations for the court of appeals personal services includes the subsistence allowance provided by IC 33-38-5-8.

FOR THE TAX COURT

Personal Services	469,342	476,583
Other Operating Expense	123,272	123,272

FOR THE JUDICIAL CENTER

Personal Services	1,230,853	1,260,061
Other Operating Expense	766,692	766,692

The above appropriations for the judicial center include the appropriations for the judicial conference.

DRUG AND ALCOHOL PROGRAMS FUND

Total Operating Expense	299,010	299,010
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The above funds are appropriated under IC 33-37-7-9 for the purpose of administering, certifying, and supporting alcohol and drug services programs under IC 12-23-14. However, if the receipts are less than the appropriation, the center may not spend

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more than is collected.

INTERSTATE COMPACT FOR ADULT OFFENDER SUPERVISION

Total Operating Expense	54,492	55,944
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Augmentation allowed from fee increases enacted in the 2003 general assembly under IC 11-13-4.5-4.

FOR THE PUBLIC DEFENDER

Personal Services	5,242,831	5,385,118
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Other Operating Expense	985,133	985,133
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FOR THE PUBLIC DEFENDER COUNCIL

Personal Services	801,743	802,348
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Other Operating Expense	318,009	318,009
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FOR THE PROSECUTING ATTORNEYS' COUNCIL

Personal Services	533,169	533,549
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Other Operating Expense	574,489	574,489
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DRUG PROSECUTION

Drug Prosecution Fund (IC 33-39-8-6)

Total Operating Expense	103,436	103,436
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Augmentation allowed.

FOR THE PUBLIC EMPLOYEES' RETIREMENT FUND

JUDGES' RETIREMENT FUND

Other Operating Expense	8,800,000	9,500,000
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PROSECUTORS' RETIREMENT FUND

Other Operating Expense	170,000	190,000
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C. EXECUTIVE

FOR THE GOVERNOR'S OFFICE

Personal Services	2,160,617	2,162,265
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Other Operating Expense	125,904	125,904
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GOVERNOR'S RESIDENCE

Total Operating Expense	179,657	179,761
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GOVERNOR'S CONTINGENCY FUND

Total Operating Expense		163,488
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Direct disbursements from the above contingency fund are not subject to the provisions of IC 5-22.

MISCELLANEOUS EXPENSES

Total Operating Expense	9,822	9,822
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GOVERNOR'S FELLOWSHIP PROGRAM

Total Operating Expense	355,466	355,711
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FOR THE WASHINGTON LIAISON OFFICE

Total Operating Expense	195,000	195,000
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FOR THE LIEUTENANT GOVERNOR

Personal Services	1,512,143	1,512,689
Other Operating Expense	692,133	692,133

CONTINGENCY FUND

Total Operating Expense		37,240
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Direct disbursements from the above contingency fund are not subject to the provisions of IC 5-22.

FOR THE SECRETARY OF STATE

ADMINISTRATION

Personal Services	378,199	378,488
Other Operating Expense	23,429	23,429

BUSINESS SERVICES

Personal Services	853,317	853,897
Other Operating Expense	136,976	136,976

SECURITIES DIVISION

Personal Services	774,806	775,356
Other Operating Expense	97,061	95,694

FOR THE ATTORNEY GENERAL

ATTORNEY GENERAL

From the General Fund

12,662,763	12,662,764
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From the Motor Vehicle Odometer Fund (IC 9-29-1-5)

89,211	89,211
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Augmentation allowed.

From the Medicaid Fraud Control Unit Fund

576,065	585,123
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Augmentation allowed.

From the Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

250,000	250,000
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Augmentation allowed.

From the Abandoned Property Fund (IC 32-34-1-33)

171,570	171,570
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Augmentation allowed.

The amounts specified from the General Fund, Motor Vehicle Odometer Fund, Medicaid Fraud Control Unit Fund, Tobacco Master Settlement Agreement Fund, and Abandoned Property Fund are for the following purposes:

Personal Services	12,578,568	12,587,627
Other Operating Expense	1,171,041	1,171,041

HOMEOWNER PROTECTION UNIT (IC 4-6-12-9)

Total Operating Expense	300,000	300,000
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MEDICAID FRAUD UNIT

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1	Total Operating Expense	829,356	829,789
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3 **The above appropriations to the Medicaid fraud unit are the state's matching share**

4 **of the state Medicaid fraud control unit under IC 4-6-10 as prescribed by 42 U.S.C.**

5 **1396b(q). Augmentation allowed from collections.**

6

7 **UNCLAIMED PROPERTY**

8	Abandoned Property Fund (IC 32-34-1-33)		
9	Personal Services	1,080,199	1,080,926
10	Other Operating Expense	3,439,706	3,439,706
11	Augmentation allowed.		

12

13 **D. FINANCIAL MANAGEMENT**

14

15 **FOR THE AUDITOR OF STATE**

16	Personal Services	4,484,169	4,487,428
17	Other Operating Expense	1,423,832	1,388,632

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19 **GOVERNORS' AND GOVERNORS' SURVIVING SPOUSES' PENSIONS**

20	Total Operating Expense	125,000	125,000
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22 **The above appropriations for governors' and governors' surviving spouses' pensions**

23 **are made under IC 4-3-3.**

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25 **FOR THE STATE BOARD OF ACCOUNTS**

26	Personal Services	19,507,669	19,522,499
27	Other Operating Expense	1,348,860	1,348,860

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29 **FOR THE STATE BUDGET COMMITTEE**

30	Total Operating Expense	60,000	60,000
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32 **Notwithstanding IC 4-12-1-11(b), the salary per diem of the legislative members of**

33 **the budget committee is an amount equal to one hundred fifty percent (150%) of the**

34 **legislative business per diem allowance. If the above appropriations are insufficient**

35 **to carry out the necessary operations of the budget committee, there are hereby**

36 **appropriated such further sums as may be necessary.**

37

38 **FOR THE OFFICE OF MANAGEMENT AND BUDGET**

39	Personal Services	794,755	795,682
40	Other Operating Expense	212,176	212,176

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42 **FOR THE STATE BUDGET AGENCY**

43	Personal Services	2,773,434	2,776,490
44	Other Operating Expense	393,882	393,882

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46 **BUILD INDIANA FUND ADMINISTRATION**

47	Build Indiana Fund (IC 4-30-17)		
48	Other Operating Expense	66,014	66,014
49	Augmentation allowed.		

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DEPARTMENTAL AND INSTITUTIONAL EMERGENCY CONTINGENCY FUND

Total Operating Expense **9,600,000**

The foregoing departmental and institutional emergency contingency fund appropriation is subject to allotment to departments, institutions, and all state agencies by the budget agency with the approval of the governor. These allocations may be made upon written request of proper officials, showing that contingencies exist that require additional funds for meeting necessary expenses. The budget committee shall be advised of each transfer request and allotment. With the approval of the governor and budget agency, the expenses of conducting an audit of a state agency for the following purposes may be paid from the departmental and institutional emergency contingency fund:

- (1) To determine whether the state agency is managing and using its resources (including personnel, property, and office space) economically and efficiently.
- (2) To determine whether there are any inefficiencies or uneconomical practices in the state agency's operations, and, if so, their causes.
- (3) To determine whether the state agency has complied with laws and rules concerning matters of economy and efficiency.

PERSONAL SERVICESFRINGE BENEFITS CONTINGENCY FUND

Total Operating Expense **8,000,000**

The foregoing personal services/fringe benefits contingency fund appropriation is subject to allotment to departments, institutions, and all state agencies by the budget agency with the approval of the governor.

The foregoing personal services/fringe benefits contingency fund appropriation may only be used for salary increases, fringe benefit increases, and for an employee leave conversion program for state employees in the 2005-2007 biennium and may not be used for any other purpose. The foregoing personal services/fringe benefits contingency fund appropriation does not revert at the end of the biennium but remains in the personal services/fringe benefits contingency fund.

COMPREHENSIVE HEALTH INSURANCE ASSOCIATION STATE SHARE

Total Operating Expense	25,100,000	25,100,000
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SCHOOL AND LIBRARY INTERNET CONNECTION

Build Indiana Fund (IC 4-30-17)

Other Operating Expense **7,000,000**

Of the foregoing appropriations \$2,300,000 each year shall be for schools under IC 4-34-3-4 and \$1,200,000 each year shall be used for libraries under IC 4-34-3-2.

INSPIRE (IC 4-34-3-2)

Build Indiana Fund (IC 4-30-17)

Other Operating Expense **2,500,000**

FOR THE TREASURER OF STATE

Personal Services	827,187	827,811
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1	Other Operating Expense	42,350	42,350
2			

3 The treasurer of state, the board for depositories, the Indiana commission for higher
4 education, and the state student assistance commission shall cooperate and provide
5 to the Indiana education savings authority the following:

- 6 (1) Clerical and professional staff and related support.
- 7 (2) Office space and services.
- 8 (3) Reasonable financial support for the development of rules, policies, programs,
9 and guidelines, including authority operations and travel.

10
11 **E. TAX ADMINISTRATION**

12
13 **FOR THE DEPARTMENT OF REVENUE**
14 **COLLECTION AND ADMINISTRATION**

15 **General Fund**

16 50,713,568 48,553,653

17 **Motor Carrier Regulation Fund (IC 8-2.1-23)**

18 770,021 770,021

19 **Charity Gaming Enforcement Fund (IC 4-33-10)**

20 988,951 988,951

21 **Motor Vehicle Highway Account (IC 8-14-1)**

22 2,374,180 2,374,180

23 **Augmentation allowed from the Motor Carrier Regulation Fund, Charity Gaming Enforcement**
24 **Fund, and the Motor Vehicle Highway Account.**

25
26 **The amounts specified from the General Fund, Motor Carrier Regulation Fund, Charity Gaming**
27 **Enforcement Fund, and the Motor Vehicle Highway Account are for the following purposes:**

28
29 **Personal Services** 40,414,374 40,442,835

30 **Other Operating Expense** 14,432,346 12,243,970

31
32 **With the approval of the governor and the budget agency, the department shall annual**
33 **reimburse the state general fund for expenses incurred in support of the collection**
34 **of dedicated fund revenue according to the department's cost allocation plan.**

35
36 **With the approval of the governor and the budget agency, the foregoing sums for the**
37 **department of state revenue may be augmented to an amount not exceeding in total,**
38 **together with the above specific amounts, one and one-tenth percent (1.1%) of the**
39 **amount of money collected by the department of state revenue from taxes and fees.**

40
41 **OUTSIDE COLLECTIONS**

42 **Total Operating Expense** 3,144,000 3,144,000

43
44 **With the approval of the governor and the budget agency, the foregoing sums for the**
45 **department of state revenue's outside collections may be augmented to an amount not**
46 **exceeding in total, together with the above specific amounts, one and one-tenth percent**
47 **(1.1%) of the amount of money collected by the department from taxes and fees.**

48
49 **MOTOR CARRIER REGULATION**



1 **Motor Carrier Regulation Fund (IC 8-2.1-23)**
2 **Personal Services** **1,519,316** **1,519,920**
3 **Other Operating Expense** **3,796,100** **3,796,100**
4 **Augmentation allowed from the Motor Carrier Regulation Fund.**

5
6 **MOTOR FUEL TAX DIVISION**
7 **Motor Vehicle Highway Account (IC 8-14-1)**
8 **Personal Services** **8,643,079** **8,649,105**
9 **Other Operating Expense** **1,062,900** **1,062,900**
10 **Augmentation allowed from the Motor Vehicle Highway Account.**

11
12 **In addition to the foregoing appropriations, there is hereby appropriated to the**
13 **department of revenue motor fuel tax division an amount sufficient to pay claims**
14 **for refunds on license-fee-exempt motor vehicle fuel as provided by law. The sums**
15 **above appropriated from the motor vehicle highway account for the operation of the**
16 **motor fuel tax division, together with all refunds for license-fee-exempt motor vehicle**
17 **fuel, shall be paid from the receipts of those license fees before they are distributed**
18 **as provided by IC 6-6-1.1.**

19
20 **FOR THE INDIANA GAMING COMMISSION**
21 **State Gaming Fund (IC 4-33-13-3)**
22 **Personal Services** **2,134,159** **2,135,732**
23 **Other Operating Expense** **689,500** **689,500**

24 **INVESTIGATION**
25 **State Gaming Fund (IC 4-33-13-3)**
26 **Personal Services** **875,000** **875,000**
27 **Other Operating Expense** **454,450** **454,450**

28
29 **The foregoing appropriations to the Indiana gaming commission are made from revenues**
30 **accruing to the state gaming fund under IC 4-33-13-3 before any distribution is made**
31 **under IC 4-33-13-5.**

32 **Augmentation allowed.**

33
34 **The foregoing appropriations to the Indiana gaming commission are made instead of**
35 **the appropriation made in IC 4-33-13-4.**

36
37 **The commission may employ or contract for inspectors and agents required under IC**
38 **4-33-4-3.5. The licensed owners shall, in the manner prescribed by the rules of the**
39 **commission, reimburse the commission for the salaries and other expenses of the inspectors**
40 **and agents who are required to be present during the time gambling operations are**
41 **conducted on a riverboat.**

42
43 **FOR THE INDIANA HORSE RACING COMMISSION**
44 **Indiana Horse Racing Commission Operating Fund (IC 4-31-10-2)**
45 **Personal Services** **2,136,556** **2,137,198**
46 **Other Operating Expense** **712,358** **712,358**
47 **Augmentation allowed.**

48
49 **STANDARD BRED ADVISORY BOARD**

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1	Standardbred Horse Fund (IC 15-5-5.5-9.5)		
2	Total Operating Expense	193,500	193,500
3	Augmentation allowed.		

4

5 **FOR THE DEPARTMENT OF LOCAL GOVERNMENT FINANCE**

6	Personal Services	3,772,110	3,775,044
7	Other Operating Expense	578,210	578,210

8

9 From the above appropriations for the department of local government finance, travel

10 subsistence and mileage allowances may be paid for members of the local government

11 tax control board created by IC 6-1.1-18.5-11 and the state school property tax control

12 board created by IC 6-1.1-19-4.1, under state travel regulations.

13

14 **FOR THE INDIANA BOARD OF TAX REVIEW**

15	Personal Services	1,318,469	1,319,521
16	Other Operating Expense	115,090	115,090

17 Augmentation allowed from fee increases enacted by P.L.245-2003.

18

19 **F. ADMINISTRATION**

20

21 **FOR THE DEPARTMENT OF ADMINISTRATION**

22	Personal Services	13,583,850	13,593,433
23	Other Operating Expense	7,635,798	7,635,798

24

25 **FOR THE STATE PERSONNEL DEPARTMENT**

26	Personal Services	3,853,235	3,855,976
27	Other Operating Expense	436,818	436,818

28 **STATE EMPLOYEES' APPEALS COMMISSION**

29	Personal Services	134,738	134,830
30	Other Operating Expense	13,257	13,257

31

32 **FOR THE OFFICE OF TECHNOLOGY**

33 **INFORMATION TECHNOLOGY OVERSIGHT COMMISSION**

34	Personal Services	536,185	536,617
35	Other Operating Expense	115,559	115,559

36 **DIVISION OF INFORMATION TECHNOLOGY**

37	Pay Phone Fund		
38	Total Operating Expense	3,090,000	3,090,000

39 Augmentation allowed.

40

41 The pay phone fund is established for the procurement of hardware, software, and

42 related equipment and services needed to expand and enhance the state campus backbone

43 and other central information technology initiatives. Such procurements may include,

44 but are not limited to, wiring and rewiring of state offices, Internet services,

45 video conferencing, telecommunications, application software and related services.

46 The fund consists of the net proceeds received from contracts with companies providing

47 phone services at state institutions and other state properties. The fund shall

48 be administered by the office of technology (OoT). Money in the fund may be spent

49 by the office in compliance with a plan approved by the budget agency. Any money

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remaining in the fund at the end of any fiscal year does not revert to the general fund or any other fund but remains in the pay phone fund.

FOR THE COMMISSION ON PUBLIC RECORDS

Personal Services	1,328,319	1,329,301
Other Operating Expense	156,364	156,364

FOR THE OFFICE OF THE PUBLIC ACCESS COUNSELOR

Personal Services	148,323	148,436
Other Operating Expense	5,134	5,134

G. OTHER

FOR THE COMMISSION ON UNIFORM STATE LAWS

Total Operating Expense	43,584	43,584
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FOR THE OFFICE OF INSPECTOR GENERAL

Personal Services	411,530	411,830
Other Operating Expense	74,739	74,739

FOR THE STATE ETHICS COMMISSION

Personal Services	260,816	261,006
Other Operating Expense	2,596	2,596

FOR THE SECRETARY OF STATE

ELECTION DIVISION

Personal Services	652,669	653,145
Other Operating Expense	202,907	202,907

ELECTION TECHNOLOGY AND ADMINISTRATION REQUIREMENTS (HAVA TITLE II)

Total Operating Expense	688,880	0
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SECTION 4. [EFFECTIVE JULY 1, 2005]

PUBLIC SAFETY

A. CORRECTION

FOR THE DEPARTMENT OF CORRECTION

CENTRAL OFFICE

Personal Services	8,365,099	8,371,234
Other Operating Expense	2,392,191	2,392,191

ESCAPEE COUNSEL AND TRIAL EXPENSE

Other Operating Expense	198,000	198,000
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COUNTY JAIL MISDEMEANANT HOUSING

Total Operating Expense	4,281,101	4,281,101
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ADULT CONTRACT BEDS

Total Operating Expense	10,235,735	10,235,735
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STAFF DEVELOPMENT AND TRAINING

Personal Services	1,404,251	1,405,258
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1	Other Operating Expense	448,388	448,388
2	PAROLE DIVISION		
3	Personal Services	5,749,346	5,753,450
4	Other Operating Expense	804,943	804,943
5	PAROLE BOARD		
6	Personal Services	552,124	552,544
7	Other Operating Expense	35,590	35,590
8	INFORMATION MANAGEMENT SERVICES		
9	Personal Services	2,364,202	2,366,020
10	Other Operating Expense	1,922,620	1,922,620
11	JUVENILE TRANSITION		
12	Personal Services	1,181,277	1,182,115
13	Other Operating Expense	4,051,694	4,051,694
14	COMMUNITY CORRECTIONS PROGRAMS		
15	Total Operating Expense		5,163,764

The above appropriation for community corrections programs is not subject to transfer to any other fund or to transfer, assignment, or reassignment for any other use or purpose by the state board of finance notwithstanding IC 4-9.1-1-7 and IC 4-13-2-23 or by the budget agency notwithstanding IC 4-12-1-12, or any other law.

DRUG PREVENTION AND OFFENDER TRANSITION

Total Operating Expense	988,293	988,487
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The above appropriation shall be used for minimum security release programs, transition programs, mentoring programs and supervision and assistance to adult and juvenile offenders to assure the successful integration of the offender into the community without incidents of recidivism.

CENTRAL EMERGENCY RESPONSE

Personal Services	1,179,746	1,180,570
Other Operating Expense	455,738	455,738

MEDICAL SERVICES

Other Operating Expense	27,260,811	27,260,811
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DRUG ABUSE PREVENTION

Drug Abuse Fund (IC 11-8-2-11)

Personal Services	40,716	40,742
Other Operating Expense	113,000	113,000

Augmentation allowed.

COUNTY JAIL MAINTENANCE CONTINGENCY FUND

Other Operating Expense	17,281,044	17,281,044
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Disbursements from the fund shall be made for the purpose of reimbursing sheriffs for the cost of incarcerating in county jails persons convicted of felonies to the extent that such persons are incarcerated for more than five (5) days after the day of sentencing, at the rate of \$35 per day. In addition to the per diem, the state shall reimburse the sheriffs for any expenses incurred in providing medical care to the convicted persons. However, if the sheriff or county receives money with respect to a convicted person (from a source other than the county), the per diem or medical



expense reimbursement with respect to the convicted person shall be reduced by the amount received. A sheriff shall not be required to comply with IC 35-38-3-4(a) or transport convicted persons within five (5) days after the day of sentencing if the department of correction does not have the capacity to receive the convicted person.

Augmentation allowed.

MEDICAL SERVICE PAYMENTS

Total Operating Expense	25,000,000	25,000,000
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These appropriations for medical service payments are made to pay for medical services for committed individuals, patients and students of institutions under the jurisdiction of the department of correction, the state department of health, the division of mental health, the school for the blind, the school for the deaf, or the division of disability, aging and rehabilitative services if the services are provided outside these institutions. These appropriations may not be used for payments for medical services that are covered by IC 12-16 unless these services have been approved under IC 12-16. These appropriations shall not be used for payment for medical services which are payable from an appropriation in this act for the state department of health, the division of mental health, the school for the blind, the school for the deaf, the division of disability, aging and rehabilitative services, or the department of correction, or that are reimbursable from funds for medical assistance under IC 12-15. If these appropriations are insufficient to make these medical service payments, there is hereby appropriated such further sums as may be necessary.

Direct disbursements from the above contingency fund are not subject to the provision of IC 4-13-2.

FOR THE DEPARTMENT OF ADMINISTRATION

DEPARTMENT OF CORRECTION OMBUDSMAN BUREAU

Personal Services	135,966	136,067
Other Operating Expense	13,124	13,124

FOR THE DEPARTMENT OF CORRECTION

INDIANA STATE PRISON

Personal Services	28,327,153	28,345,171
Other Operating Expense	5,819,137	5,819,137

VOCATIONAL TRAINING PROGRAM

Total Operating Expense	257,291	257,291
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PENDLETON CORRECTIONAL FACILITY

Personal Services	28,133,124	28,152,801
Other Operating Expense	6,931,289	6,931,289

CORRECTIONAL INDUSTRIAL FACILITY

Personal Services	19,842,899	19,856,310
Other Operating Expense	4,035,819	4,035,819

INDIANA WOMEN'S PRISON

Personal Services	11,666,382	11,673,614
Other Operating Expense	1,928,211	1,928,211

PUTNAMVILLE CORRECTIONAL FACILITY



1	Personal Services	28,542,062	28,561,207
2	Other Operating Expense	5,595,717	5,595,717
3	WABASH VALLEY CORRECTIONAL FACILITY		
4	Personal Services	38,442,605	38,467,484
5	Other Operating Expense	7,469,855	7,469,855
6	PLAINFIELD JUVENILE CORRECTIONAL FACILITY		
7	Personal Services	13,401,073	13,410,386
8	Other Operating Expense	2,386,012	2,386,012
9	INDIANAPOLIS JUVENILE CORRECTIONAL FACILITY		
10	Personal Services	14,618,497	14,626,547
11	Other Operating Expense	1,711,469	1,711,469
12	BRANCHVILLE CORRECTIONAL FACILITY		
13	Personal Services	17,856,336	17,868,319
14	Other Operating Expense	2,945,374	2,945,374
15	WESTVILLE CORRECTIONAL FACILITY		
16	Personal Services	42,249,577	42,278,476
17	Other Operating Expense	7,690,288	7,690,288
18	WESTVILLE MAXIMUM CONTROL FACILITY		
19	Personal Services	5,428,434	5,432,101
20	Other Operating Expense	582,757	582,757
21	ROCKVILLE CORRECTIONAL FACILITY FOR WOMEN		
22	Personal Services	15,746,198	15,757,032
23	Other Operating Expense	2,712,522	2,712,522
24	PLAINFIELD CORRECTIONAL FACILITY		
25	Personal Services	25,173,242	25,190,068
26	Other Operating Expense	5,464,545	5,464,545
27	RECEPTION AND DIAGNOSTIC CENTER		
28	Personal Services	11,780,995	11,789,124
29	Other Operating Expense	1,217,704	1,217,704
30	MIAMI CORRECTIONAL FACILITY		
31	Personal Services	28,785,622	28,804,798
32	Other Operating Expense	4,617,107	4,617,107
33	NEW CASTLE CORRECTIONAL FACILITY		
34	Personal Services	12,203,968	12,212,345
35	Other Operating Expense	2,779,105	2,779,105
36	SOCIAL SERVICES BLOCK GRANT		
37	General Fund		
38	Total Operating Expense	9,948,380	9,955,962
39	Work Release - Study Release Special Revenue Fund (IC 11-10-8-6.5)		
40	Total Operating Expense	466,014	466,014
41	Augmentation allowed from Work Release - Study Release Special Revenue Fund		
42	and Social Services Block Grant.		
43	HENRYVILLE CORRECTIONAL FACILITY		
44	Personal Services	2,018,547	2,019,927
45	Other Operating Expense	379,381	379,381
46	CHAIN O' LAKES CORRECTIONAL FACILITY		
47	Personal Services	1,819,881	1,820,956
48	Other Operating Expense	380,606	380,606
49	MEDARYVILLE CORRECTIONAL FACILITY		

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1	Personal Services	1,899,480	1,900,654
2	Other Operating Expense	330,727	330,727
3	ATTERBURY CORRECTIONAL FACILITY		
4	Personal Services	2,048,622	2,049,962
5	Other Operating Expense	350,351	350,351
6	MADISON CORRECTIONAL FACILITY		
7	Personal Services	3,114,891	3,116,892
8	Other Operating Expense	468,019	468,019
9	EDINBURGH CORRECTIONAL FACILITY		
10	Personal Services	2,849,220	2,851,122
11	Other Operating Expense	363,155	363,155
12	LAKE SIDE CORRECTIONAL FACILITY		
13	Personal Services	4,904,199	4,907,478
14	Other Operating Expense	732,602	732,602
15	FORT WAYNE JUVENILE CORRECTIONAL FACILITY		
16	Personal Services	1,425,664	1,426,588
17	Other Operating Expense	436,233	436,233
18	SOUTH BEND JUVENILE CORRECTIONAL FACILITY		
19	Personal Services	4,343,067	4,345,596
20	Other Operating Expense	2,886,037	2,886,037
21	LOGANS PORT INTAKE/DIAGNOSTIC FACILITY		
22	Personal Services	2,868,870	2,870,666
23	Other Operating Expense	536,690	536,690
24	NORTH CENTRAL JUVENILE CORRECTIONAL FACILITY		
25	Personal Services	8,296,951	8,301,236
26	Other Operating Expense	1,294,293	1,294,293
27	CAMP SUMMIT		
28	Personal Services	2,545,249	2,546,766
29	Other Operating Expense	362,040	362,040
30	PENDLETON JUVENILE CORRECTIONAL FACILITY		
31	Personal Services	14,161,982	14,170,029
32	Other Operating Expense	2,530,172	2,530,172

B. LAW ENFORCEMENT

FOR THE INDIANA STATE POLICE AND MOTOR CARRIER INSPECTION

From the General Fund

40,416,979 40,426,519

From the Motor Vehicle Highway Account (IC 8-14-1)

70,416,982 70,426,522

From the Motor Carrier Regulation Fund (IC 8-2.1-23)

4,025,699 4,026,788

Augmentation allowed from the general fund, the motor vehicle highway account, and the motor carrier regulation fund.

The amounts specified from the General Fund, the Motor Vehicle Highway Account, and the Motor Carrier Regulation Fund are for the following purposes:

49	Personal Services	104,557,210	104,577,379
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1	Other Operating Expense	10,302,450	10,302,450
2			

3 The above appropriations for personal services and other operating expense include
4 funds to continue the state police minority recruiting program. In addition to any
5 funds that may be expended for accident reporting from the "accident report account"
6 under IC 9-29-11-1, there are included in the appropriations for Indiana state police
7 and motor carrier inspection such additional funds as necessary for administering
8 accident reporting as required under IC 9-26-3.

9
10 The foregoing appropriations for the Indiana state police and motor carrier inspection
11 include funds for the police security detail to be provided to the Indiana state
12 fair board. However, any amount expended to provide security for the Indiana state
13 fair board may be reimbursed by the Indiana state fair board to such fund from which
14 the expenditure was made, in accordance with reimbursement schedules recommended
15 by the budget committee.
16 Augmentation allowed.

17
18 **ODOMETER FRAUD INVESTIGATION**

19	From the Motor Vehicle Odometer Fund (IC 9-29-1-5)		
20	Total Operating Expense	95,841	95,841
21	Augmentation allowed.		

22
23 **STATE POLICE TRAINING**

24	From the State Police Training Fund (IC 5-2-8-5)		
25	Total Operating Expense	303,722	303,722
26	Augmentation allowed.		

27
28 **FORENSIC AND HEALTH SCIENCES LABORATORIES**

29	From the Motor Vehicle Highway Account (IC 8-14-1)		
30	Personal Services	2,683,888	2,685,880
31	Other Operating Expense	1,602,961	1,602,961
32	Augmentation allowed.		

33
34 **ENFORCEMENT AID**

35	From the General Fund		
36	Total Operating Expense	79,747	79,747
37	Augmentation allowed.		

38			
39	From the Motor Vehicle Highway Account (IC 8-14-1)		
40	Total Operating Expense	79,748	79,748
41	Augmentation allowed.		

42
43 The above appropriations for enforcement aid are to meet unforeseen emergencies
44 of a confidential nature. They are to be expended under the direction of the superintendent
45 and to be accounted for solely on the superintendent's authority.

46
47 **PENSION FUND**

48	From the General Fund		
49	Total Operating Expense	3,800,302	6,087,313



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1	From the Motor Vehicle Highway Account (IC 8-14-1)		
2	Total Operating Expense	3,800,306	6,087,318

3

4 The above appropriations shall be paid into the state police pension fund provided

5 for in IC 10-12-2 in twelve (12) equal installments on or before July 30 and on or

6 before the 30th of each succeeding month thereafter.

7

8 **BENEFIT FUND**

9	From the General Fund		
10	Total Operating Expense	1,513,750	1,513,750
11	Augmentation allowed.		

12			
13	From the Motor Vehicle Highway Account (IC 8-14-1)		
14	Total Operating Expense	1,513,750	1,513,750
15	Augmentation allowed.		

16

17 All benefits that accrue to members shall be paid by warrant drawn on the treasurer

18 of state by the auditor of state on the basis of claims filed and approved by the

19 trustees of the state police pension and benefit funds created by IC 10-12-2.

20

21 **SUPPLEMENTAL PENSION**

22	General Fund		
23	Total Operating Expense	1,437,500	1,437,500
24	Augmentation allowed.		

25			
26	Motor Vehicle Highway Account (IC 8-14-1)		
27	Total Operating Expense	1,437,500	1,437,500
28	Augmentation allowed.		

29

30 If the above appropriations for supplemental pension for any one (1) year are greater

31 than the amount actually required under the provisions of IC 10-12-5, then the excess

32 shall be returned proportionately to the funds from which the appropriations were

33 made. If the amount actually required under IC 10-12-5 is greater than the above

34 appropriations, then, with the approval of the governor and the budget agency, those

35 sums may be augmented from the general fund and the motor vehicle highway account.

36

37 **ACCIDENT REPORTING**

38	Accident Report Account (IC 9-29-11-1)		
39	Total Operating Expense	91,140	91,140
40	Augmentation allowed.		

41 **DRUG INTERDICTION**

42	Drug Interdiction Fund (IC 10-11-7)		
43	Total Operating Expense	273,420	273,420
44	Augmentation allowed.		

45

46 **FOR THE ADJUTANT GENERAL**

47	Personal Services	9,659,149	7,946,862
48	Other Operating Expense	3,595,193	2,790,351

49 **NAVAL FORCES**

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	<i>FY 2005-2006 Appropriation</i>	<i>FY 2006-2007 Appropriation</i>	<i>Biennial Appropriation</i>
1 Personal Services	149,991	150,089	
2 Other Operating Expense	68,983	68,983	
3 DISABLED SOLDIERS' PENSION			
4 Other Operating Expense	16,507	16,507	
5 GOVERNOR'S CIVIL AND MILITARY CONTINGENCY FUND			
6 Total Operating Expense			707,340
7			
8 The above appropriations for the adjutant general governor's civil and military contingency			
9 fund are made under IC 10-16-11-1.			
10			
11 FOR THE CRIMINAL JUSTICE INSTITUTE			
12 ADMINISTRATIVE MATCH			
13 Total Operating Expense	440,467	440,467	
14 DRUG ENFORCEMENT MATCH			
15 Total Operating Expense	2,096,955	2,096,955	
16 VICTIM AND WITNESS ASSISTANCE FUND			
17 Victim and Witness Assistance Fund (IC 5-2-6-14)			
18 Total Operating Expense	591,132	591,132	
19 Augmentation allowed.			
20 ALCOHOL AND DRUG COUNTERMEASURES			
21 Alcohol and Drug Countermeasures Fund (IC 9-27-2-11)			
22 Total Operating Expense	516,558	516,558	
23 Augmentation allowed.			
24 STATE DRUG FREE COMMUNITIES FUND			
25 State Drug Free Communities Fund (IC 5-2-10-2)			
26 Total Operating Expense	501,099	501,099	
27 Augmentation allowed.			
28 INDIANA SAFE SCHOOLS			
29 General Fund			
30 Total Operating Expense	1,660,300	1,660,300	
31 Indiana Safe Schools Fund (IC 5-2-10.1-2)			
32 Total Operating Expense	406,700	406,700	
33 Augmentation allowed from Indiana Safe Schools Fund.			
34			
35 Of the above appropriations for the Indiana safe schools program, \$1,317,000 is appropriated			
36 annually to provide grants to school corporations for school safe haven programs,			
37 emergency preparedness programs, and school safety programs, and \$750,000 is appropriated			
38 annually for use in providing training to school safety specialists.			
39			
40 OFFICE OF TRAFFIC SAFETY			
41 Motor Vehicle Highway Account (IC 8-14-1)			
42 Personal Services	457,669	457,777	
43 Other Operating Expense	11,093,645	11,093,645	
44 Augmentation allowed.			
45			
46 The above appropriation for the office of traffic safety is from the motor vehicle			
47 highway account and may be used to fund traffic safety projects that are included			
48 in a current highway safety plan approved by the governor and the budget agency.			
49 The department shall apply to the national highway traffic safety administration			

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for reimbursement of all eligible project costs. Any federal reimbursement received by the department for the highway safety plan shall be deposited into the motor vehicle highway account.

PROJECT IMPACT

Total Operating Expense	196,000	196,000
-------------------------	---------	---------

VICTIMS OF VIOLENT CRIME ADMINISTRATION

Violent Crime Victims Compensation Fund (IC 5-2-6.1-40)

Personal Services	185,665	185,720
-------------------	---------	---------

Other Operating Expense	2,548,565	2,548,565
-------------------------	-----------	-----------

Augmentation allowed.

FOR THE CORONERS' TRAINING BOARD

Coroners' Training and Continuing Education Fund (IC 4-23-6.5-8)

Personal Services	30,000	30,000
-------------------	--------	--------

Other Operating Expense	485,429	485,429
-------------------------	---------	---------

Augmentation allowed.

FOR THE INDIANA DEPARTMENT OF GAMING RESEARCH

Personal Services	157,519	157,632
-------------------	---------	---------

Other Operating Expense	88,658	88,658
-------------------------	--------	--------

Augmentation allowed from fees accruing under IC 4-33-18-8.

FOR THE LAW ENFORCEMENT TRAINING ACADEMY

From the General Fund

1,622,820	1,624,857
-----------	-----------

From the Law Enforcement Academy Training Fund (IC 5-2-1-13(b))

2,803,013	2,803,013
-----------	-----------

Augmentation allowed from Law Enforcement Academy Training Fund.

The amounts specified from the General Fund and the Law Enforcement Academy Training Fund are for the following purposes:

Personal Services	3,083,774	3,085,811
-------------------	-----------	-----------

Other Operating Expense	1,342,059	1,342,059
-------------------------	-----------	-----------

C. REGULATORY AND LICENSING

FOR THE BUREAU OF MOTOR VEHICLES

Motor Vehicle Highway Account (IC 8-14-1)

Personal Services	20,056,862	20,047,781
-------------------	------------	------------

Other Operating Expense	16,589,473	16,589,473
-------------------------	------------	------------

Augmentation allowed.

LICENSE PLATES

Motor Vehicle Highway Account (IC 8-14-1)

Total Operating Expense	5,390,000	5,390,000
-------------------------	-----------	-----------

Augmentation allowed.

DEALER INVESTIGATOR EXPENSES

Motor Vehicle Odometer Fund (IC 9-29-1-5)

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1	Total Operating Expense	263,228	263,228
2	Augmentation allowed.		
3	FINANCIAL RESPONSIBILITY COMPLIANCE VERIFICATION		
4	Financial Responsibility Compliance Verification Fund (IC 9-25-9-7)		
5	Total Operating Expense	7,777,970	7,778,371
6	Augmentation allowed.		
7	ABANDONED VEHICLES		
8	Abandoned Vehicle Fund (IC 9-22-1-28)		
9	Total Operating Expense	36,260	36,260
10	Augmentation allowed.		
11	STATE MOTOR VEHICLE TECHNOLOGY		
12	State Motor Vehicle Technology Fund (IC 9-29-16-1)		
13	Total Operating Expense	5,098,968	5,098,968
14	Augmentation allowed.		
15			
16	FOR THE DEPARTMENT OF LABOR		
17	Personal Services	1,019,407	1,020,143
18	Other Operating Expense	114,673	114,673
19	INDUSTRIAL HYGIENE		
20	Personal Services	1,246,719	1,247,594
21	Other Operating Expense	117,031	117,031
22	BUREAU OF MINES AND MINING		
23	Personal Services	109,621	109,697
24	Other Operating Expense	19,104	19,104
25	M.I.S. RESEARCH AND STATISTICS		
26	Personal Services	237,799	237,963
27	Other Operating Expense	20,299	20,299
28			
29	The above funds are appropriated to occupational safety and health, industrial hygiene,		
30	and to management information services research and statistics to provide the total		
31	program cost of the Indiana occupational safety and health plan as approved by the		
32	United States Department of Labor. Inasmuch as the state is eligible to receive		
33	from the federal government partial reimbursement of the state's total Indiana occupational		
34	safety and health plan program cost, it is the intention of the general assembly		
35	that the department of labor make application to the federal government for the federal		
36	share of the total program cost. Federal funds received shall be considered a reimbursement		
37	of state expenditures and as such shall be deposited into the state general fund.		
38			
39	OCCUPATIONAL SAFETY AND HEALTH		
40	Personal Services	2,314,796	2,316,387
41	Other Operating Expense	198,885	198,885
42	EMPLOYMENT OF YOUTH		
43	Fund for Employment of Youth (IC 20-8.1-4-31)		
44	Total Operating Expense	75,443	75,473
45	Augmentation allowed.		
46	BUREAU OF SAFETY EDUCATION AND TRAINING		
47	Special Fund for Safety and Health Consultation Services (IC 22-8-1.1-48)		
48	Personal Services	893,884	894,498
49	Other Operating Expense	189,792	189,792

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1 **Augmentation allowed.**

2
3 **Federal cost reimbursements for expenses attributable to the Bureau of Safety Education**
4 **and Training appropriations shall be deposited into the special fund for safety and**
5 **health consultation services.**

6
7 **FOR THE INSURANCE DEPARTMENT**

8 **From the General Fund**

9 **3,428,470 3,431,292**

10 **From the Department of Insurance Fund (IC 27-1-3-28)**

11 **2,363,439 2,363,439**

12 **Augmentation allowed from the Department of Insurance Fund.**

13
14 **The amounts specified from the General Fund and the Department of Insurance Fund**
15 **are for the following purposes:**

16
17 **Personal Services 4,734,217 4,737,039**

18 **Other Operating Expense 1,057,692 1,057,692**

19
20 **BAIL BOND DIVISION**

21 **Bail Bond Enforcement and Administration Fund (IC 27-10-5-1)**

22 **Personal Services 108,119 108,188**

23 **Other Operating Expense 14,660 14,660**

24 **Augmentation allowed.**

25 **PATIENTS' COMPENSATION AUTHORITY**

26 **Patients' Compensation Fund (IC 34-18-6-1)**

27 **Personal Services 620,860 621,057**

28 **Other Operating Expense 68,525 68,525**

29 **Augmentation allowed.**

30 **POLITICAL SUBDIVISION RISK MANAGEMENT**

31 **Political Subdivision Risk Management Fund (IC 27-1-29-10)**

32 **Personal Services 221,502 221,569**

33 **Other Operating Expense 52,525 52,525**

34 **Augmentation allowed.**

35 **MINE SUBSIDENCE INSURANCE**

36 **Mine Subsidence Insurance Fund (IC 27-7-9-7)**

37 **Personal Services 118,535 118,622**

38 **Other Operating Expense 201,765 201,765**

39 **Augmentation allowed.**

40
41 **FOR THE ALCOHOL AND TOBACCO COMMISSION**

42 **From the Enforcement and Administration Fund (IC 7.1-4-10-1)**

43 **Personal Services 4,963,688 4,513,135**

44 **Other Operating Expense 887,278 887,278**

45 **Augmentation allowed.**

46 **EXCISE OFFICER TRAINING FUND (IC 5-2-8-8)**

47 **Total Operating Expense 6,860 6,860**

48 **Augmentation allowed from the Alcoholic Beverage Enforcement Officer Training Fund.**

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FOR THE DEPARTMENT OF FINANCIAL INSTITUTIONS**Financial Institutions Fund (IC 28-11-2-9)**

Personal Services	5,884,768	5,889,224
Other Operating Expense	1,530,776	1,531,496

Augmentation allowed.

FOR THE PROFESSIONAL LICENSING AGENCY

Personal Services	1,549,955	1,550,974
Other Operating Expense	670,289	670,289

EMBALMERS' AND FUNERAL DIRECTORS' EDUCATION (IC 25-15-9-13)**Funeral Services Education Fund (IC 25-15-9-13)**

Total Operating Expense	4,900	4,900
-------------------------	-------	-------

Augmentation allowed.

FOR THE HEALTH PROFESSIONS BUREAU

Personal Services	2,757,852	2,759,741
Other Operating Expense	830,242	830,242

FOR THE DEPARTMENT OF FIRE AND BUILDING SERVICES**Fire and Building Services Fund (IC 22-12-6-1)**

Personal Services	8,541,057	8,546,829
Other Operating Expense	1,345,487	1,345,487

Augmentation allowed.

FOR THE PUBLIC SAFETY TRAINING INSTITUTE**Fire and Building Services Fund (IC 22-12-6-1)**

Personal Services	1,063,716	1,064,361
Other Operating Expense	305,978	305,978

Augmentation allowed.

FOR THE CIVIL RIGHTS COMMISSION

Personal Services	2,097,270	2,098,776
Other Operating Expense	266,515	266,515

It is the intention of the general assembly that the civil rights commission shall apply to the federal government for funding based upon the processing of employment and housing discrimination complaints by the civil rights commission. Such federal funds received by the state shall be considered as a reimbursement of state expenditures and shall be deposited into the state general fund.

FOR THE UTILITY CONSUMER COUNSELOR**Public Utility Fund (IC 8-1-6-1)**

Personal Services	3,800,352	3,803,139
Other Operating Expense	455,065	455,065

Augmentation allowed.

EXPERT WITNESS FEES AND AUDIT**Public Utility Fund (IC 8-1-6-1)**

Total Operating Expense	1,550,000
-------------------------	-----------

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1 CONSERVATION AND ENVIRONMENT**3 A. NATURAL RESOURCES****5 FOR THE DEPARTMENT OF NATURAL RESOURCES - ADMINISTRATION**

6	Personal Services	4,864,533	4,868,008
---	-------------------	-----------	-----------

7	Other Operating Expense	728,150	728,150
---	-------------------------	---------	---------

8 ENTOMOLOGY AND PLANT PATHOLOGY DIVISION

9	Personal Services	760,732	761,281
---	-------------------	---------	---------

10	Other Operating Expense	161,937	161,937
----	-------------------------	---------	---------

11 ENTOMOLOGY AND PLANT PATHOLOGY FUND (IC 14-24-10-3)

12	Total Operating Expense		23,359
----	-------------------------	--	--------

13	Augmentation allowed.		
----	-----------------------	--	--

14 ENGINEERING DIVISION

15	Personal Services	1,588,440	1,589,599
----	-------------------	-----------	-----------

16	Other Operating Expense	71,351	71,351
----	-------------------------	--------	--------

17 STATE MUSEUM

18	Personal Services	5,498,536	5,502,194
----	-------------------	-----------	-----------

19	Other Operating Expense	2,031,841	2,031,841
----	-------------------------	-----------	-----------

20 HISTORIC PRESERVATION DIVISION

21	Personal Services	937,701	938,370
----	-------------------	---------	---------

22	Other Operating Expense	41,125	41,125
----	-------------------------	--------	--------

23 STATE HISTORIC SITES

24	Personal Services	2,139,718	2,140,920
----	-------------------	-----------	-----------

25	Other Operating Expense	381,787	381,787
----	-------------------------	---------	---------

26
27 From the above appropriations, \$75,000 in each state fiscal year shall be used for
28 the Grissom Museum.
29

30 WABASH RIVER HERITAGE CORRIDOR

31	Total Operating Expense	97,849	97,849
----	-------------------------	--------	--------

32 OUTDOOR RECREATION DIVISION

33	Personal Services	850,544	851,170
----	-------------------	---------	---------

34	Other Operating Expense	44,019	44,019
----	-------------------------	--------	--------

35 NATURE PRESERVES DIVISION

36	Personal Services	908,197	908,859
----	-------------------	---------	---------

37	Other Operating Expense	52,164	52,164
----	-------------------------	--------	--------

38 DEPARTMENT OF NATURAL RESOURCES FINANCIAL MANAGEMENT

39	Personal Services	148,372	148,483
----	-------------------	---------	---------

40	Other Operating Expense	41,718	41,718
----	-------------------------	--------	--------

41 WATER DIVISION

42	Personal Services	4,938,614	4,942,191
----	-------------------	-----------	-----------

43	Other Operating Expense	663,935	663,935
----	-------------------------	---------	---------

44
45 All revenues accruing from state and local units of government and from private utilities
46 and industrial concerns as a result of water resources study projects, and as a result
47 of topographic and other mapping projects, shall be deposited into the state general
48 fund, and such receipts are hereby appropriated, in addition to the foregoing amounts,
49 for water resources studies.

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GREAT LAKES COMMISSION

Other Operating Expense	61,000	61,000
-------------------------	--------	--------

DEER RESEARCH AND MANAGEMENT

Deer Research and Management Fund (IC 14-22-5-2)

Total Operating Expense	174,000	174,000
-------------------------	---------	---------

Augmentation allowed.

OIL AND GAS DIVISION

From the General Fund

1,207,046	1,207,388
-----------	-----------

From the Oil and Gas Fund (IC 6-8-1-27)

139,750	140,176
---------	---------

Augmentation allowed from Oil and Gas Fund.

The amounts specified from the General Fund and the Oil and Gas Fund are for the following purposes:

Personal Services	1,066,435	1,067,203
-------------------	-----------	-----------

Other Operating Expense	280,361	280,361
-------------------------	---------	---------

STATE PARKS AND RESERVOIRS

From the General Fund

10,161,162	10,168,398
------------	------------

From the State Parks and Reservoirs Special Revenue Fund (IC 14-19-8-2)

21,136,316	21,160,811
------------	------------

Augmentation allowed from State Parks and Reservoirs Special Revenue Fund.

The amounts specified from the General Fund and the State Parks and Reservoirs Special Revenue Fund are for the following purposes:

Personal Services	24,409,278	24,441,009
-------------------	------------	------------

Other Operating Expense	6,888,200	6,888,200
-------------------------	-----------	-----------

SNOWMOBILE/OFFROAD VEHICLE LICENSING FUND

Snowmobile/Offroad Licensing Fund (IC 14-16-1-30)

Total Operating Expense	139,908	139,908
-------------------------	---------	---------

Augmentation allowed.

LAW ENFORCEMENT DIVISION

From the General Fund

9,207,707	9,208,185
-----------	-----------

From the Fish and Wildlife Fund (IC 14-22-3-2)

11,060,370	11,061,123
------------	------------

Augmentation allowed from the Fish and Wildlife Fund.

The amounts specified from the General Fund and the Fish and Wildlife Fund are for the following purposes:

Personal Services	17,010,154	17,011,385
-------------------	------------	------------

Other Operating Expense	3,257,923	3,257,923
-------------------------	-----------	-----------

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FISH AND WILDLIFE DIVISION

Fish and Wildlife Fund (IC 14-22-3-2)

Personal Services	13,271,453	13,279,686
Other Operating Expense	4,056,937	4,056,937

Augmentation allowed.

FORESTRY DIVISION

From the General Fund

1,406,350	1,406,609
------------------	------------------

From the State Forestry Fund (IC 14-23-3-2)

7,948,375	7,952,921
------------------	------------------

Augmentation allowed from the State Forestry Fund.

The amounts specified from the General Fund and the State Forestry Fund are for the following purposes:

Personal Services	7,850,802	7,855,607
Other Operating Expense	1,503,923	1,503,923

All money expended by the division of forestry of the department of natural resources for the detention and suppression of forest, grassland, and wasteland fires shall be through the enforcement division of the department, and the employment with such money of all personnel, with the exception of emergency labor, shall be in accordance with IC 14-9-8.

RECLAMATION DIVISION

From the General Fund

36,857	36,857
---------------	---------------

From the Natural Resources Reclamation Division Fund (IC 14-34-14-2)

5,228,074	5,231,437
------------------	------------------

Augmentation allowed from the Natural Resources Reclamation Division Fund.

The amounts specified from the General Fund and the Natural Resources Reclamation Division Fund are for the following purposes:

Personal Services	4,585,013	4,588,376
Other Operating Expense	679,918	679,918

In addition to any of the foregoing appropriations for the department of natural resources, any federal funds received by the state of Indiana for support of approved outdoor recreation projects for planning, acquisition, and development under the provisions of the federal Land and Water Conservation Fund Act, P.L.88-578, are appropriated for the uses and purposes for which the funds were paid to the state, and shall be distributed by the department of natural resources to state agencies and other governmental units in accordance with the provisions under which the funds were received.

SOIL CONSERVATION DIVISION - T BY 2000

Cigarette Tax Fund (IC 6-7-1-29.1)

Personal Services	4,557,340	4,560,521
--------------------------	------------------	------------------



1	Other Operating Expense	1,439,838	1,439,838	
2	Augmentation allowed.			
3	LAKE AND RIVER ENHANCEMENT			
4	Lake and River Enhancement Fund (IC 6-6-11-12.5)			
5	Total Operating Expense			4,685,811
6	Augmentation allowed.			
7	CONSERVATION OFFICERS' MARINE ENFORCEMENT FUND			
8	Lake and River Enhancement Fund (IC 6-6-11-12.5)			
9	Total Operating Expense	182,759	182,759	
10	Augmentation allowed.			
11	HERITAGE TRUST			
12	Total Operating Expense	1	1	
13				
14	B. OTHER NATURAL RESOURCES			
15				
16	FOR THE WORLD WAR MEMORIAL COMMISSION			
17	Personal Services	1,025,997	1,026,680	
18	Other Operating Expense	143,509	143,509	
19				
20	All revenues received as rent for space in the buildings located at 777 North Meridian			
21	Street and 700 North Pennsylvania Street, in the city of Indianapolis, that exceed			
22	the costs of operation and maintenance of the space rented, shall be paid into the			
23	general fund. The American Legion shall provide for the complete maintenance of			
24	the interior of these buildings.			
25				
26	FOR THE WHITE RIVER PARK COMMISSION			
27	Total Operating Expense	1,309,965	1,309,965	
28				
29	FOR THE ST. JOSEPH RIVER BASIN COMMISSION			
30	Total Operating Expense	70,029	70,029	
31				
32	C. ENVIRONMENTAL MANAGEMENT			
33				
34	FOR THE DEPARTMENT OF ENVIRONMENTAL MANAGEMENT			
35	ADMINISTRATION			
36	From the General Fund			
37		4,302,355	4,386,235	
38	From the State Solid Waste Management Fund (IC 13-20-22-2)			
39		128,388	128,465	
40	From the Waste Tire Management Fund (IC 13-20-13-8)			
41		60,182	60,218	
42	From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1)			
43		742,243	742,684	
44	From the Environmental Management Permit Operation Fund (IC 13-15-11-1)			
45		862,606	863,148	
46	From the Environmental Management Special Fund (IC 13-14-12-1)			
47		216,654	216,782	
48	From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)			
49		316,957	317,145	

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1 From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)
2 56,167 56,201
3 From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)
4 1,628,925 1,629,890
5 Augmentation allowed from the State Solid Waste Management Fund, Waste Tire Management
6 Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit
7 Operation Fund, Environmental Management Special Fund, Hazardous Substances Response
8 Trust Fund, Underground Petroleum Storage Tank Trust Fund, and Underground Petroleum
9 Storage Tank Excess Liability Fund.

10
11 The amounts specified from the General Fund, State Solid Waste Management Fund, Waste Tire
12 Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management
13 Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response
14 Trust Fund, Underground Petroleum Storage Tank Trust Fund, and Underground Petroleum Storage
15 Tank Excess Liability Fund are for the following purposes:

16			
17	Personal Services	6,113,111	6,117,395
18	Other Operating Expense	2,201,366	2,283,373

19
20 **LABORATORY CONTRACTS**

21 General Fund
22 708,362 777,825
23 Environmental Management Special Fund (IC 13-14-12-1)
24 425,999 425,999
25 Hazardous Substances Response Trust Fund (IC 13-25-4-1)
26 1,277,997 1,277,997
27 Augmentation allowed from the Environmental Management Special Fund and the Hazardous
28 Substances Response Trust Fund.

29
30 The amounts specified from the General Fund, Environmental Management Special Fund,
31 and the Hazardous Substance Response Trust Fund are for the following purpose:

32	Total Operating Expense	2,412,358	2,481,821
----	-------------------------	-----------	-----------

33
34 **NORTHWEST REGIONAL OFFICE**

35 From the General Fund
36 523,982 524,332
37 From the State Solid Waste Management Fund (IC 13-20-22-2)
38 31,639 31,659
39 From the Waste Tire Management Fund (IC 13-20-13-8)
40 8,925 8,931
41 From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1)
42 283,124 283,308
43 From the Environmental Management Permit Operation Fund (IC 13-15-11-1)
44 135,480 135,571
45 From the Environmental Management Special Fund (IC 13-14-12-1)
46 64,089 64,130
47 From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)
48 48,677 48,709
49 From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)



1 8,113 8,118
2 **From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)**
3 231,202 231,349
4 **Augmentation allowed from the State Solid Waste Management Fund, Waste Tire Management**
5 **Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit**
6 **Operation Fund, Environmental Management Special Fund, Hazardous Substances Response**
7 **Trust Fund, Underground Petroleum Storage Tank Trust Fund, and Underground Petroleum**
8 **Storage Tank Excess Liability Fund.**

9
10 **The amounts specified from the General Fund, State Solid Waste Management Fund, Waste Tire**
11 **Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management**
12 **Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response**
13 **Trust Fund, Underground Petroleum Storage Tank Trust Fund, and Underground Petroleum**
14 **Storage Tank Excess Liability Fund are for the following purposes:**

15			
16	Personal Services	1,206,917	1,207,793
17	Other Operating Expense	128,314	128,314

18
19 **NORTHERN REGIONAL OFFICE**

20 **From the General Fund**
21 374,610 374,843
22 **From the State Solid Waste Management Fund (IC 13-20-22-2)**
23 46,856 46,883
24 **From the Waste Tire Management Fund (IC 13-20-13-8)**
25 5,679 5,682
26 **From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1)**
27 276,161 276,325
28 **From the Environmental Management Permit Operation Fund (IC 13-15-11-1)**
29 123,527 123,626
30 **From the Environmental Management Special Fund (IC 13-14-12-1)**
31 66,732 66,772
32 **From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)**
33 39,048 39,071
34 **From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)**
35 4,970 4,973
36 **From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)**
37 146,951 147,035
38 **Augmentation allowed from the State Solid Waste Management Fund, Waste Tire Management**
39 **Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit**
40 **Operation Fund, Environmental Management Special Fund, Hazardous Substances Response**
41 **Trust Fund, Underground Petroleum Storage Tank Trust Fund, and Underground Petroleum**
42 **Storage Tank Excess Liability Fund.**

43
44 **The amounts specified from the General Fund, State Solid Waste Management Fund, Waste Tire**
45 **Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management**
46 **Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response**
47 **Trust Fund, Underground Petroleum Storage Tank Trust Fund, and Underground Petroleum**
48 **Storage Tank Excess Liability Fund are for the following purposes:**
49

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1	Personal Services	932,226	932,902
2	Other Operating Expense	152,308	152,308

3

4

SOUTHWEST REGIONAL OFFICE

5

From the General Fund

6

387,639 387,863

7

From the State Solid Waste Management Fund (IC 13-20-22-2)

8

97,931 97,987

9

From the Waste Tire Management Fund (IC 13-20-13-8)

10

6,045 6,048

11

From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1)

12

146,896 146,981

13

From the Environmental Management Permit Operation Fund (IC 13-15-11-1)

14

86,445 86,497

15

From the Environmental Management Special Fund (IC 13-14-12-1)

16

52,594 52,624

17

From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)

18

55,010 55,042

19

From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)

20

5,440 5,443

21

From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)

22

154,150 154,239

23

Augmentation allowed from the State Solid Waste Management Fund, Waste Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Underground Petroleum Storage Tank Trust Fund, and Underground Petroleum Storage Tank Excess Liability Fund.

24

25

26

27

28

29

The amounts specified from the General Fund, State Solid Waste Management Fund, Waste Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Underground Petroleum Storage Tank Trust Fund, and Underground Petroleum Storage Tank Excess Liability Fund are for the following purposes:

30

31

32

33

34

35

Personal Services	793,774	794,348
-------------------	---------	---------

36

Other Operating Expense	198,376	198,376
-------------------------	---------	---------

37

38

39

LEGAL AFFAIRS

40

From the General Fund

41

779,039 779,561

42

From the State Solid Waste Management Fund (IC 13-20-22-2)

43

40,958 40,983

44

From the Waste Tire Management Fund (IC 13-20-13-8)

45

4,428 4,431

46

From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1)

47

242,425 242,573

48

From the Environmental Management Permit Operation Fund (IC 13-15-11-1)

49

180,435 180,553



1 From the Environmental Management Special Fund (IC 13-14-12-1)
 2 61,990 62,027
 3 From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)
 4 91,877 91,932
 5 From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)
 6 16,604 16,614
 7 From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)
 8 468,246 468,528
 9 Augmentation allowed from the State Solid Waste Management Fund, Waste Tire Management
 10 Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit
 11 Operation Fund, Environmental Management Special Fund, Hazardous Substances Response
 12 Trust Fund, Underground Petroleum Storage Tank Trust Fund, and Underground Petroleum
 13 Storage Tank Excess Liability Fund.

14
 15 The amounts specified from the General Fund, State Solid Waste Management Fund, Waste Tire
 16 Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management
 17 Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response
 18 Trust Fund, Underground Petroleum Storage Tank Trust Fund, and Underground Petroleum
 19 Storage Tank Excess Liability Fund are for the following purposes:

21 Personal Services	1,762,962	1,764,162
22 Other Operating Expense	123,040	123,040

23
24 **ENFORCEMENT**

25 From the General Fund

26 1,056,384 1,057,122

27 From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1)

28 733,137 733,746

29 From the Environmental Management Special Fund (IC 13-14-12-1)

30 80,186 80,253

31 From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)

32 3,273 3,276

33 From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)

34 1,636 1,637

35 Augmentation allowed from the Title V Operating Permit Program Trust Fund, Environmental
 36 Management Special Fund, Hazardous Substances Response Trust Fund, and the Underground
 37 Petroleum Storage Tank Excess Liability Trust Fund.

38
 39 The amounts specified from the General Fund, Title V Operating Permit Program Trust Fund,
 40 Environmental Management Special Fund, Hazardous Substances Response Trust Fund, and
 41 Underground Petroleum Storage Tank Excess Liability Trust Fund are for the following purposes:

43 Personal Services	1,794,769	1,796,187
44 Other Operating Expense	79,847	79,847

45
46 **INVESTIGATIONS**

47 From the General Fund

48 191,601 191,702

49 From the State Solid Waste Management Fund (IC 13-20-22-2)



1	6,819	6,822
2	From the Waste Tire Management Fund (IC 13-20-13-8)	
3	4,636	4,638
4	From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1)	
5	44,721	44,744
6	From the Environmental Management Permit Operation Fund (IC 13-15-11-1)	
7	55,627	55,657
8	From the Environmental Management Special Fund (IC 13-14-12-1)	
9	13,089	13,096
10	From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)	
11	22,632	22,643
12	From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)	
13	4,362	4,364
14	From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)	
15	120,799	120,862
16	Augmentation allowed from the State Solid Waste Management Fund, Waste Tire Management	
17	Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit	
18	Operation Fund, Environmental Management Special Fund, Hazardous Substances Response	
19	Trust Fund, Underground Petroleum Storage Tank Trust Fund, and Underground Petroleum	
20	Storage Tank Excess Liability Fund.	

The amounts specified from the General Fund, State Solid Waste Management Fund, Waste Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Underground Petroleum Storage Tank Trust Fund, and Underground Petroleum Storage Tank Excess Liability Fund are for the following purposes:

28	Personal Services	333,715	333,957
29	Other Operating Expense	130,571	130,571

PLANNING AND ASSESSMENT

32	From the General Fund	
33	444,517	444,834
34	From the State Solid Waste Management Fund (IC 13-20-22-2)	
35	8,389	8,395
36	From the Waste Tire Management Fund (IC 13-20-13-8)	
37	5,705	5,709
38	From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1)	
39	55,033	55,071
40	From the Environmental Management Permit Operation Fund (IC 13-15-11-1)	
41	68,454	68,505
42	From the Environmental Management Special Fund (IC 13-14-12-1)	
43	16,107	16,118
44	From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)	
45	27,852	27,872
46	From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)	
47	5,370	5,374
48	From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)	
49	148,654	148,757



Augmentation allowed from the State Solid Waste Management Fund, Waste Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Underground Petroleum Storage Tank Trust Fund, and Underground Petroleum Storage Tank Excess Liability Fund.

The amounts specified from the General Fund, State Solid Waste Management Fund, Waste Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Underground Petroleum Storage Tank Trust Fund, and Underground Petroleum Storage Tank Excess Liability Fund are for the following purposes:

Personal Services	763,868	764,422
Other Operating Expense	16,213	16,213

MEDIA AND COMMUNICATIONS

From the General Fund

418,483	418,762
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From the State Solid Waste Management Fund (IC 13-20-22-2)

10,533	10,539
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From the Waste Tire Management Fund (IC 13-20-13-8)

7,161	7,165
-------	-------

From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1)

69,097	69,142
--------	--------

From the Environmental Management Permit Operation Fund (IC 13-15-11-1)

85,949	86,008
--------	--------

From the Environmental Management Special Fund (IC 13-14-12-1)

20,224	20,237
--------	--------

From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)

34,970	34,992
--------	--------

From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)

6,741	6,745
-------	-------

From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)

186,648	186,769
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Augmentation allowed from the State Solid Waste Management Fund, Waste Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Underground Petroleum Storage Tank Trust Fund, and Underground Petroleum Storage Tank Excess Liability Fund.

The amounts specified from the General Fund, State Solid Waste Management Fund, Waste Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Underground Petroleum Storage Tank Trust Fund, and Underground Petroleum Storage Tank Excess Liability Fund are for the following purposes:

Personal Services	795,024	795,577
Other Operating Expense	44,782	44,782

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PUBLIC POLICY AND PLANNING

From the General Fund

161,608	161,718
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From the State Solid Waste Management Fund (IC 13-20-22-2)

5,908	5,912
--------------	--------------

From the Waste Tire Management Fund (IC 13-20-13-8)

4,019	4,021
--------------	--------------

From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1)

38,752	38,777
---------------	---------------

From the Environmental Management Permit Operation Fund (IC 13-15-11-1)

48,207	48,240
---------------	---------------

From the Environmental Management Special Fund (IC 13-14-12-1)

11,342	11,349
---------------	---------------

From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)

19,613	19,625
---------------	---------------

From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)

3,780	3,782
--------------	--------------

From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)

104,682	104,752
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Augmentation allowed from the State Solid Waste Management Fund, Waste Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Underground Petroleum Storage Tank Trust Fund, and Underground Petroleum Storage Tank Excess Liability Fund.

The amounts specified from the General Fund, State Solid Waste Management Fund, Waste Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Underground Petroleum Storage Tank Trust Fund, and Underground Petroleum Storage Tank Excess Liability Fund are for the following purposes:

Personal Services	353,663	353,928
Other Operating Expense	44,248	44,248

OHIO RIVER VALLEY WATER SANITATION COMMISSION

Environmental Management Special Fund (IC 13-14-12-1)

Total Operating Expense	242,900	242,900
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Augmentation allowed.

OFFICE OF ENVIRONMENTAL RESPONSE

Personal Services	1,948,562	1,949,976
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Other Operating Expense	575,485	575,485
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POLLUTION PREVENTION AND TECHNICAL ASSISTANCE

Personal Services	1,045,497	1,046,263
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Other Operating Expense	249,790	249,790
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PCB INSPECTIONS

Environmental Management Permit Operation Fund (IC 13-15-11-1)

Total Operating Expense	40,001	40,001
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Augmentation allowed.

U.S. GEOLOGICAL SURVEY CONTRACTS



1	Environmental Management Special Fund (IC 13-14-12-1)		
2	Total Operating Expense	62,890	62,890
3	Augmentation allowed.		
4	STATE SOLID WASTE GRANTS MANAGEMENT		
5	State Solid Waste Management Fund (IC 13-20-22-2)		
6	Personal Services	232,830	232,997
7	Other Operating Expense	1,372,630	1,372,630
8	Augmentation allowed.		
9	VOLUNTARY CLEAN-UP PROGRAM		
10	Voluntary Remediation Fund (IC 13-25-5-21)		
11	Personal Services	326,625	326,858
12	Other Operating Expense	551,500	551,500
13	Augmentation allowed.		
14	TITLE V AIR PERMIT PROGRAM		
15	Title V Operating Permit Program Trust Fund (IC 13-17-8-1)		
16	Personal Services	6,131,432	6,135,885
17	Other Operating Expense	4,374,989	4,374,989
18	Augmentation allowed.		
19	WATER MANAGEMENT PERMITTING		
20	From the General Fund		
21	1,919,924 1,921,119		
22	From the Environmental Management Permit Operation Fund (IC 13-15-11-1)		
23	4,205,935 4,208,554		
24	Augmentation allowed from the Environmental Management Permit Operation Fund.		
25			
26	The amounts specified from the General Fund and the Environmental Management Permit Operation Fund are for the following purposes:		
27			
28			
29	Personal Services	5,331,613	5,335,427
30	Other Operating Expense	794,246	794,246
31			
32	SOLID WASTE MANAGEMENT PERMITTING		
33	From the General Fund		
34	2,007,190 2,008,514		
35	From the Environmental Management Permit Operation Fund (IC 13-15-11-1)		
36	3,102,309 3,104,355		
37	Augmentation allowed from the Environmental Management Permit Operation Fund.		
38			
39	The amounts specified from the General Fund and the Environmental Management Permit Operation Fund are for the following purposes:		
40			
41			
42	Personal Services	4,714,580	4,717,950
43	Other Operating Expense	394,919	394,919
44			
45	HAZARDOUS WASTE MANAGEMENT PERMITTING		
46	From the General Fund		
47	2,492,889 2,494,350		
48	From the Environmental Management Permit Operation Fund (IC 13-15-11-1)		
49	2,978,130 2,979,879		

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1 **Augmentation allowed from the Environmental Management Permit Operation Fund.**

2
3 **The amounts specified from the General Fund and the Environmental Management Permit**
4 **Operation Fund are for the following purposes:**

5			
6	Personal Services	4,445,660	4,448,870
7	Other Operating Expense	1,025,359	1,025,359

8
9 **SAFE DRINKING WATER PROGRAM**

10 **From the General Fund**

11		571,429	571,807
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12 **From the Environmental Management Permit Operation Fund (IC 13-15-11-1)**

13		2,094,366	2,894,837
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14 **Augmentation allowed from the Environmental Management Permit Operation Fund.**

15
16 **The amounts specified from the General Fund and the Environmental Management Permit**
17 **Operation Fund are for the following purposes:**

18			
19	Personal Services	1,075,952	1,077,970
20	Other Operating Expense	1,589,843	2,388,674

21
22 **WATERSHED MANAGEMENT**

23 **Environmental Management Special Fund (IC 13-14-12-1)**

24	Total Operating Expense	24,037	24,037
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25 **Augmentation allowed.**

26 **CLEAN VESSEL PUMPOUT**

27 **Environmental Management Special Fund (IC 13-14-12-1)**

28	Total Operating Expense	58,475	58,475
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29 **Augmentation allowed.**

30 **GROUNDWATER PROGRAM**

31	Total Operating Expense	287,001	287,126
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32 **UNDERGROUND STORAGE TANK PROGRAM**

33 **Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)**

34	Total Operating Expense	137,215	137,277
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35 **Augmentation allowed.**

36 **AIR MANAGEMENT OPERATING**

37 **From the General Fund**

38		886,788	887,229
----	--	---------	---------

39 **From the Environmental Management Special Fund (IC 13-14-12-1)**

40		1,698,889	1,699,738
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41 **Augmentation allowed from the Environmental Management Special Fund.**

42
43 **The amounts specified from the General Fund and the Environmental Management Special**
44 **Fund are for the following purposes:**

45			
46	Personal Services	1,776,421	1,777,711
47	Other Operating Expense	809,256	809,256

48
49 **WATER MANAGEMENT NON-PERMITTING**



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1	Personal Services	3,137,463	3,139,726
2	Other Operating Expense	391,681	490,466
3	GREAT LAKES INITIATIVE		
4	Environmental Management Special Fund (IC 13-14-12-1)		
5	Total Operating Expense	96,160	96,160
6	Augmentation allowed.		
7	OUTREACH OPERATOR TRAINING		
8	Total Operating Expense	41,306	41,306
9	LEAKING UNDERGROUND STORAGE TANKS		
10	Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)		
11	Personal Services	124,465	124,555
12	Other Operating Expense	44,109	44,109
13	Augmentation allowed.		
14	CORE SUPERFUND		
15	Hazardous Substances Response Trust Fund (IC 13-25-4-1)		
16	Total Operating Expense	127,435	127,467
17	Augmentation allowed.		
18	AUTO EMISSIONS TESTING PROGRAM		
19	Personal Services	153,161	153,270
20	Other Operating Expense	7,592,411	7,344,013
21	HAZARDOUS WASTE SITE - STATE CLEAN-UP		
22	Hazardous Substances Response Trust Fund (IC 13-25-4-1)		
23	Personal Services	914,494	915,153
24	Other Operating Expense	1,323,811	1,323,811
25	Augmentation allowed.		
26	HAZARDOUS WASTE SITES - NATURAL RESOURCE DAMAGES		
27	Hazardous Substances Response Trust Fund (IC 13-25-4-1)		
28	Personal Services	174,348	174,474
29	Other Operating Expense	680,991	680,991
30	Augmentation allowed.		
31	SUPERFUND MATCH		
32	Hazardous Substances Response Trust Fund (IC 13-25-4-1)		
33	Total Operating Expense	354,985	354,985
34	Augmentation allowed.		
35	HOUSEHOLD HAZARDOUS WASTE		
36	Hazardous Substances Response Trust Fund (IC 13-25-4-1)		
37	Personal Services	39,934	39,960
38	Other Operating Expense	443,816	443,816
39	Augmentation allowed.		
40	ASBESTOS TRUST - OPERATING		
41	Asbestos Trust Fund (IC 13-17-6-3)		
42	Personal Services	358,456	358,709
43	Other Operating Expense	150,384	150,384
44	Augmentation allowed.		
45	UNDERGROUND PETROLEUM STORAGE TANK - OPERATING		
46	Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)		
47	Personal Services	201,977	202,035
48	Other Operating Expense	28,128,801	28,128,801
49	Augmentation allowed.		

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1	WASTE TIRE MANAGEMENT		
2	Waste Tire Management Fund (IC 13-20-13-8)		
3	Total Operating Expense	1,054,000	1,054,000
4	Augmentation allowed.		
5	VOLUNTARY COMPLIANCE		
6	Environmental Management Special Fund (IC 13-14-12-1)		
7	Personal Services	140,598	140,696
8	Other Operating Expense	217,737	217,737
9	Augmentation allowed.		
10	ENVIRONMENTAL MANAGEMENT SPECIAL FUND - OPERATING		
11	Environmental Management Special Fund (IC 13-14-12-1)		
12	Total Operating Expense	1,100,000	1,100,000
13	Augmentation allowed.		
14	SMALL TOWN COMPLIANCE		
15	Environmental Management Special Fund (IC 13-14-12-1)		
16	Total Operating Expense	60,000	60,000
17	Augmentation allowed.		
18	WETLANDS PROTECTION		
19	Environmental Management Special Fund (IC 13-14-12-1)		
20	Total Operating Expense	50,401	50,401
21	Augmentation allowed.		
22	MERCURY REDUCTION OUTREACH GRANT		
23	Total Operating Expense	87,590	87,590
24	PETROLEUM TRUST - OPERATING		
25	Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)		
26	Personal Services	242,896	243,081
27	Other Operating Expense	462,885	462,885
28	Augmentation allowed.		
29	LEAD BASED PAINT ACTIVITIES PROGRAM		
30	Lead Trust Fund (IC 13-17-14-6)		
31	Total Operating Expense	21,638	21,646
32	Augmentation allowed.		
33			
34	Notwithstanding any other law, with the approval of the Governor and the budget agency,		
35	the above appropriations for hazardous waste management - permitting, wetlands		
36	protection, watershed management, groundwater program, underground storage tanks,		
37	air management operating, asbestos trust operating, lead based paint activities program,		
38	water management non-permitting, pollution prevention incentives for states, safe		
39	drinking water program, and any other appropriation eligible to be included in a		
40	performance partnership grant may be used to fund activities incorporated into a		
41	performance partnership grant between the United States Environmental Protection		
42	Agency and the department of environmental management.		
43			
44	FOR THE OFFICE OF ENVIRONMENTAL ADJUDICATION		
45	Environmental Management Special Fund (IC 13-14-12-1)		
46	Personal Services	232,179	232,335
47	Other Operating Expense	82,114	82,114
48	Augmentation allowed.		
49			

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FOR THE STATE BUDGET AGENCY

CLEAN MANUFACTURING TECHNOLOGY BOARD

Total Operating Expense	475,000	475,000
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The above appropriation may be used for grants and pilot projects under IC 13-27.5-1, IC 13-27-2-10, IC 13-27-2-11, or another law only as money to match on a dollar for dollar basis money from private sources, excluding federal, state, local governmental funds and money contributed by a public university or college.

SECTION 6. [EFFECTIVE JULY 1, 2005]

ECONOMIC DEVELOPMENT

A. AGRICULTURE

FOR THE DEPARTMENT OF AGRICULTURE

Personal Services	1,437,305	1,438,352
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Other Operating Expense	239,431	239,431
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VALUE ADDED RESEARCH PROGRAM

General Fund

Total Operating Expense	250,000	250,000
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Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	600,000	600,000
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LAND RESOURCES COUNCIL

Total Operating Expense		306,062
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FOR THE LIEUTENANT GOVERNOR

RURAL DEVELOPMENT ADMINISTRATION

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	2,400,000	2,400,000
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Notwithstanding IC 4-4-9.3, the above appropriations include funds for the farm counseling program.

RURAL DEVELOPMENT COUNCIL

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	1,203,480	1,203,483
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B. COMMERCE

FOR THE LIEUTENANT GOVERNOR

COMMUNITY DEVELOPMENT ADMINISTRATION

Personal Services	843,296	843,296
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Other Operating Expense	265,906	265,906
--------------------------------	----------------	----------------

OFFICE OF TOURISM

Total Operating Expense	4,212,235	4,212,235
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INDIANA INDIVIDUAL DEVELOPMENT ACCOUNTS

Total Operating Expense	1,350,000	1,350,000
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The department shall collect and report to the family and social services administration (FSSA) all data required for FSSA to meet the data collection and reporting requirements in 45 CFR Part 265.

Family and social services administration, division of family and children shall apply all qualifying expenditures for individual development accounts deposits toward Indiana's maintenance of effort under the federal Temporary Assistance to Needy Families (TANF) program (45 CFR 260 et seq.).

RECYCLING PROMOTION AND ASSISTANCE PROGRAM

Indiana Recycling Promotion and Assistance Fund (IC 4-23-5.5-14)

Total Operating Expense	1,500,000	1,500,000
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Augmentation allowed.

RECYCLING OPERATING

Indiana Recycling Promotion and Assistance Fund (IC 4-23-5.5-14)

Personal Services	56,700	56,741
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Other Operating Expense	172,930	172,930
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Augmentation allowed.

STATE ENERGY PROGRAM

Total Operating Expense	97,880	97,880
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FOR THE INDIANA ECONOMIC DEVELOPMENT CORPORATION

ADMINISTRATIVE AND FINANCIAL SERVICES

From the General Fund

7,405,445	7,411,292
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From the Skills 2016 Fund (IC 22-4-24.5-1)

185,630	185,630
---------	---------

From the Industrial Development Grant Fund

52,139	52,139
--------	--------

The amounts specified from the General Fund, Skills 2016 Fund, and Industrial Development Grant Fund are for the following purposes:

Personal Services	6,015,642	6,021,489
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Other Operating Expense	1,627,572	1,627,572
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INTERNATIONAL TRADE

Total Operating Expense	1,394,676	1,394,676
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ENTERPRISE ZONE PROGRAM

Indiana Enterprise Zone Fund (IC 4-4-6.1-2.3)

Total Operating Expense	260,024	260,065
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Augmentation allowed.

LOCAL ECONOMIC DEVELOPMENT ORGANIZATION/ REGIONAL ECONOMIC DEVELOPMENT ORGANIZATION (LEDO/REDO) MATCHING GRANT PROGRAM

Total Operating Expense	1,900,000
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SKILLS 2016

Total Operating Expense	23,150,038
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BUSINESS PROMOTION PROGRAM

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1	Total Operating Expense			2,271,508
2	TRADE PROMOTION PROGRAM			
3	Total Operating Expense	200,000	200,000	
4	ECONOMIC DEVELOPMENT GRANT AND LOAN PROGRAM			
5	Total Operating Expense			1,200,000
6	INDUSTRIAL DEVELOPMENT GRANT PROGRAM			
7	Total Operating Expense			6,500,000
8	ECONOMIC DEVELOPMENT COUNCIL			
9	Total Operating Expense	303,041	303,041	
10	21ST CENTURY RESEARCH & TECHNOLOGY FUND			
11	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
12	Total Operating Expense	37,500,000	37,500,000	
13	TECHNOLOGY DEVELOPMENT GRANT PROGRAM			
14	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
15	Total Operating Expense	4,500,000	4,500,000	
16	INDIANA DEVELOPMENT FINANCE AUTHORITY (IDFA)			
17	CAPITAL ACCESS PROGRAM			
18	Total Operating Expense			1,242,500
19	ENVIRONMENTAL REMEDIATION REVOLVING LOAN PROGRAM			
20	Total Operating Expense			5,000,000
21	PROJECT GUARANTY PROGRAM			
22	Total Operating Expense			1,800,000
23	BUSINESS DEVELOPMENT LOAN PROGRAM			
24	Total Operating Expense			2,000,000

25

26 **C. COMMUNITY SERVICES**

27

28 **FOR THE GOVERNOR'S**

29 **COMMISSION ON COMMUNITY SERVICE AND VOLUNTEERISM**

30	Personal Services	263,974	264,340	
31	Other Operating Expense	76,869	76,869	

32

33 **D. EMPLOYMENT SERVICES**

34

35 **FOR THE DEPARTMENT OF WORKFORCE DEVELOPMENT**

36 **ADMINISTRATION**

37	Total Operating Expense	1,148,027	1,148,027	
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38 **WOMEN'S COMMISSION**

39	Personal Services	113,666	113,746	
40	Other Operating Expense	5,153	5,153	

41 **COMMISSION ON HISPANIC/LATINO AFFAIRS**

42	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
43	Total Operating Expense	124,188	124,235	

44

45 The above appropriations are in addition to any funding for the commission derived

46 from funds appropriated to the department of workforce development.

47

48 **E. OTHER ECONOMIC DEVELOPMENT**



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FOR THE STATE BUDGET AGENCY
I-LIGHT FIBER OPTIC SYSTEM

Total Operating Expense	2,500,000	2,500,000
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SECTION 7. [EFFECTIVE JULY 1, 2005]

TRANSPORTATION

FOR THE DEPARTMENT OF TRANSPORTATION

For the conduct and operation of the department of transportation, the following sums are appropriated for the periods designated, from the state general fund, the public mass transportation fund, the industrial rail service fund, the state highway fund, the motor vehicle highway account, the distressed road fund, the state highway road construction and improvement fund, the motor carrier regulation fund, and the crossroads 2000 fund.

PLANNING AND ADMINISTRATION

From the State Highway Fund (IC 8-23-9-54)

509,370	509,666
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From the Public Mass Transportation Fund (IC 8-23-3-8)

207,623	207,744
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From the Industrial Rail Service Fund (IC 8-3-1.7-2)

30,760	30,778
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Augmentation allowed from the Public Mass Transportation Fund, Industrial Rail Service Fund, and State Highway Fund.

The amounts specified from the Public Mass Transportation Fund, Industrial Rail Service Fund, and State Highway Fund are for the following purposes:

Personal Services	583,247	583,587
Other Operating Expense	164,506	164,601

The above appropriations may be used to match federal funds available for planning and administration of transportation in Indiana.

INTERMODAL OPERATING

From the State Highway Fund (IC 8-23-9-54)

533,581	533,915
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From the Public Mass Transportation Fund (IC 8-23-3-8)

370,542	370,770
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From the Industrial Rail Service Fund (IC 8-3-1.7-2)

370,542	370,770
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Augmentation allowed from the State Highway Fund, Public Mass Transportation Fund and Industrial Rail Service Fund.

The amounts specified from the State Highway Fund, the Public Mass Transportation Fund, and the Industrial Rail Service Fund are for the following purposes:

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1	Personal Services	1,096,212	1,096,891
2	Other Operating Expense	178,453	178,564

3

4 **INTERMODAL GRANT PROGRAM**

5 Department of Transportation Administration Fund

6	Total Operating Expense	42,000	42,000
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7 Public Mass Transportation Fund (IC 8-23-3-8)

8	Total Operating Expense	37,500	37,500
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9 Augmentation allowed from Public Mass Transportation Fund.

10 **RAILROAD GRADE CROSSING IMPROVEMENT**

11	Total Operating Expense	465,000	465,000
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12 **HIGH SPEED RAIL**

13 Industrial Rail Service Fund

14 Matching Funds

15 Augmentation allowed.

16 **PUBLIC MASS TRANSPORTATION**

17 Public Mass Transportation Fund (IC 8-23-3-8)

18	Total Operating Expense	31,009,377	31,628,396
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19 Augmentation allowed.

20

21 The appropriations are to be used solely for the promotion and development of public
22 transportation. The department of transportation shall allocate funds based on a
23 formula approved by the commissioner of the department of transportation.

24

25 The department of transportation may distribute public mass transportation funds
26 to an eligible grantee that provides public transportation in Indiana.

27

28 The state funds can be used to match federal funds available under the Federal Transi
29 Act (49 U.S.C. 1601, et seq.), or local funds from a requesting grantee.

30

31 Before funds may be disbursed to a grantee, the grantee must submit its request for
32 financial assistance to the department of transportation for approval. Allocations
33 must be approved by the governor and the budget agency after review by the budget
34 committee and shall be made on a reimbursement basis. Only applications for capital
35 and operating assistance may be approved. Only those grantees that have met the reporting
36 requirements under IC 8-23-3 are eligible for assistance under this appropriation.

37

38 **HIGHWAY OPERATING**

39 State Highway Fund (IC 8-23-9-54)

40	Personal Services	203,986,295	204,125,958
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41	Other Operating Expense	39,930,685	39,929,737
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42

43 **HIGHWAY BUILDINGS AND GROUNDS**

44 State Highway Fund (IC 8-23-9-54)

45	Total Operating Expense		18,650,766
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46

47 The above appropriations for highway buildings and grounds may be used for land acquisition,
48 site development, construction and equipping of new highway facilities and for maintenance,
49 repair, and rehabilitation of existing state highway facilities.



HIGHWAY VEHICLE AND ROAD MAINTENANCE EQUIPMENT

State Highway Fund (IC 8-23-9-54)

Other Operating Expense	18,820,600	18,820,600
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The above appropriations for highway operating and highway vehicle and road maintenance equipment may be used for personal services, equipment, and other operating expense, including the cost of transportation for the governor.

HIGHWAY MAINTENANCE WORK PROGRAM

State Highway Fund (IC 8-23-9-54)

Other Operating Expense	74,000,000	74,000,000
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The above appropriations for the highway maintenance work program may be used for:

- (1) materials for patching roadways and shoulders;
- (2) repairing and painting bridges;
- (3) installing signs and signals and painting roadways for traffic control;
- (4) mowing, herbicide application, and brush control;
- (5) drainage control;
- (6) maintenance of rest areas, public roads on properties of the department of natural resources, and driveways on the premises of all state facilities;
- (7) materials for snow and ice removal;
- (8) utility costs for roadway lighting; and
- (9) other special maintenance and support activities consistent with the highway maintenance work program.

HIGHWAY CAPITAL IMPROVEMENTS

State Highway Fund (IC 8-23-9-54)

Right-of-Way Expense	20,000,000	20,000,000
Formal Contracts Expense	144,906,699	146,232,472
Consulting Services Expense	31,129,405	31,890,000
Institutional Road Construction	5,000,000	5,000,000

The above appropriations for the capital improvements program may be used for:

- (1) bridge rehabilitation and replacement;
- (2) road construction, reconstruction, or replacement;
- (3) construction, reconstruction, or replacement of travel lanes, intersections, grade separations, rest parks, and weigh stations;
- (4) relocation and modernization of existing roads;
- (5) resurfacing;
- (6) erosion and slide control;
- (7) construction and improvement of railroad grade crossings, including the use of the appropriations to match federal funds for projects;
- (8) small structure replacements;
- (9) safety and spot improvements; and
- (10) right-of-way, relocation, and engineering and consulting expenses associated with any of the above types of projects.

The foregoing appropriations for highway operating, highway vehicles and road maintenance

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equipment, highway buildings and grounds, the highway planning and research program, the highway maintenance work program, and highway capital improvements are appropriated from estimated revenues which include the following:

- (1) Funds distributed to the state highway fund from the motor vehicle highway account under IC 8-14-1-3(4).
- (2) Funds distributed to the state highway fund from the highway, road, and street fund under IC 8-14-2-3.
- (3) All fees and miscellaneous revenues deposited in or accruing to the state highway fund under IC 8-23-9-54.
- (4) Any unencumbered funds carried forward in the state highway fund from any previous fiscal year.
- (5) All other funds appropriated or made available to the department by the general assembly.

If funds from sources set out above for the department exceed appropriations from those sources to the department, the excess amount is hereby appropriated to be used at the discretion of the department with approval of the governor and the budget agency for the conduct and operation of the department.

If there is a change in a statute reducing or increasing revenue for department use, the budget agency shall notify the auditor of state to adjust the above appropriations to reflect the estimated increase or decrease. Upon the request of the department, the budget agency, with the approval of the governor, may allot any increase in appropriations to the department.

If the department of transportation finds that an emergency exists or that an appropriation will be insufficient to cover expenses incurred in the normal operation of the department, the budget agency may, upon request of the department, and with the approval of the governor, transfer funds from revenue sources set out above from one (1) appropriation to the deficient appropriation. No appropriation from the state highway fund may be used to fund any toll road or toll bridge project except as specifically provided for under IC 8-15-2-20.

HIGHWAY PLANNING AND RESEARCH PROGRAM

State Highway Fund (IC 8-23-9-54)

Total Operating Expense	3,500,000	3,500,000
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STATE HIGHWAY ROAD CONSTRUCTION AND IMPROVEMENT PROGRAM

State Highway Road Construction Improvement Fund (IC 8-14-10-5)

Lease Rental Payments Expense	65,875,392	66,534,146
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Augmentation allowed.

The above appropriations for the state highway road construction and improvement program are appropriated from the state highway road construction and improvement fund provided in IC 8-14-10-5 and may include any unencumbered funds carried forward from any previous fiscal year. The funds may be used for:

- (1) road and bridge construction, reconstruction, or replacement;
- (2) construction, reconstruction, or replacement of travel lanes, intersections, grade separations;



- (3) relocation and modernization of existing roads;
 (4) right-of-way, relocation, and engineering and consulting expenses associated with any of the above types of projects; and
 (5) payment of rentals and leases relating to projects under IC 8-14.5.

CROSSROADS 2000 PROGRAM

Crossroads 2000 Fund (IC 8-14-10-9)

Formal Contracts Expense	13,093,301	437,179
Lease Rental Payment Expense	37,200,000	37,200,000

Augmentation allowed.

FEDERAL APPORTIONMENT

Right-of-Way Expense	50,000,000	50,000,000
Formal Contracts Expense	297,000,000	327,240,000
Consulting Engineers Expense	71,000,000	80,760,000
Highway Planning and Research	13,000,000	13,000,000
Local Government Revolving Acct.	140,000,000	140,000,000

The department may establish an account to be known as the "local government revolving account". The account is to be used to administer the federal-local highway construction program. All contracts issued and all funds received for federal-local projects under this program shall be entered into this account.

If the federal apportionments for the fiscal years covered by this act exceed the above estimated appropriations for the department or for local governments, the excess federal apportionment is hereby appropriated for use by the department with the approval of the governor and the budget agency.

The department shall bill, in a timely manner, the federal government for all department payments that are eligible for total or partial reimbursement.

The department may let contracts and enter into agreements for construction and preliminary engineering during each year of the 2005-2007 biennium that obligate not more than one-third (1/3) of the amount of state funds estimated by the department to be available for appropriation in the following year for formal contracts and consulting engineers for the capital improvements program.

Under IC 8-23-5-7(a), the department, with the approval of the governor, may construct and maintain roadside parks and highways where highways will connect any state highway now existing, or hereafter constructed, with any state park, state forest preserve, state game preserve, or the grounds of any state institution. There is appropriated to the department of transportation an amount sufficient to carry out the provisions of this paragraph. Under IC 8-23-5-7(d), such appropriations shall be made from the motor vehicle highway account before distribution to local units of government.

LOCAL TECHNICAL ASSISTANCE AND RESEARCH

Under IC 8-14-1-3(6), there is appropriated to the department of transportation an amount sufficient for:



(1) the program of technical assistance under IC 8-23-2-5(6); and
 (2) the research and highway extension program conducted for local government under IC 8-17-7-4.

The department shall develop an annual program of work for research and extension in cooperation with those units being served, listing the types of research and educational programs to be undertaken. The commissioner of the department of transportation may make a grant under this appropriation to the institution or agency selected to conduct the annual work program. Under IC 8-14-1-3(6), appropriations for the program of technical assistance and for the program of research and extension shall be taken from the local share of the motor vehicle highway account.

Under IC 8-14-1-3(7) there is hereby appropriated such sums as are necessary to maintain a sufficient working balance in accounts established to match federal and local money for highway projects. These funds are appropriated from the following sources in the proportion specified:

- (1) one-half (1/2) from the forty-seven percent (47%) set aside of the motor vehicle highway account under IC 8-14-1-3(7); and
- (2) for counties and for those cities and towns with a population greater than five thousand (5,000), one-half (1/2) from the distressed road fund under IC 8-14-8-2.

SECTION 8. [EFFECTIVE JULY 1, 2005]

FAMILY AND SOCIAL SERVICES, HEALTH, AND VETERANS' AFFAIRS

A. FAMILY AND SOCIAL SERVICES

FOR THE STATE BUDGET AGENCY

FSSA/DEPARTMENT OF HEALTH INSTITUTIONAL CONTINGENCY FUND

Total Operating Expense

2,000,000

The above institutional contingency fund shall be allotted upon the recommendation of the budget agency with approval of the governor. This appropriation may be used to supplement individual hospital, state developmental center, and special institutions budgets.

INDIANA PRESCRIPTION DRUG PROGRAM

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense

8,000,000

8,000,139

With the approval of the governor and the budget agency, the above appropriations for the Indiana prescription drug program may be augmented by leveraging for each fiscal year federal Medicaid dollars.

FOR THE FAMILY AND SOCIAL SERVICES ADMINISTRATION

CHILDREN'S HEALTH INSURANCE PROGRAM

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense

26,503,056

26,503,095



FAMILY AND SOCIAL SERVICES ADMINISTRATION

Total Operating Expense	13,946,018	13,953,693
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COMMISSION FOR THE STATUS OF BLACK MALES

Total Operating Expense	131,628	131,711
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OFFICE OF MEDICAID POLICY AND PLANNING - ADMINISTRATION

Total Operating Expense	5,458,790	5,462,653
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MEDICAID ADMINISTRATION

Total Operating Expense	49,500,000	49,500,000
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MEDICAID - CURRENT OBLIGATIONS

General Fund

Total Operating Expense	1,370,500,000	1,411,600,000
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Hospital Care for the Indigent Fund (IC 12-16-14-6)

Total Operating Expense	43,000,000	43,000,000
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Augmentation allowed.

The foregoing appropriations for Medicaid current obligations and for Medicaid administration are for the purpose of enabling the office of Medicaid policy and planning to carry out all services as provided in IC 12-8-6. In addition to the above appropriations, all money received from the federal government and paid into the state treasury as a grant or allowance is appropriated and shall be expended by the office of Medicaid policy and planning for the respective purposes for which the money was allocated and paid to this state. Subject to the provisions of P.L.46-1995, if the sums herein appropriated for Medicaid current obligations and for Medicaid administration are insufficient to enable the office of Medicaid policy and planning to meet its obligations, then there is appropriated from the state general fund such further sums as may be necessary for that purpose, subject to the approval of the governor and the budget agency.

Subject to the approval of the governor and the budget agency, the foregoing appropriations for Medicaid - Current Obligations may be augmented or reduced based on revenues accruing to the hospital care for the indigent fund.

MEDICAID DISABILITY ELIGIBILITY EXAMS

Total Operating Expense	3,195,000	3,195,000
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MENTAL HEALTH ADMINISTRATION

Other Operating Expense	2,365,294	2,365,294
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SERIOUSLY EMOTIONALLY DISTURBED

Total Operating Expense	16,469,493	16,469,493
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SERIOUSLY MENTALLY ILL

General Fund

Total Operating Expense	93,862,579	93,862,579
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Mental Health Centers Fund (IC 6-7-1)

Total Operating Expense	4,445,000	4,445,000
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Augmentation allowed.

The comprehensive community mental health centers shall submit their proposed annual budgets (including income and operating statements) to the budget agency on or before August 1 of each year. All federal funds shall be applied in augmentation of the foregoing funds rather than in place of any part of the funds.



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The above appropriations for comprehensive community mental health services include the intragovernmental transfers necessary to provide the nonfederal share of reimbursement under the Medicaid rehabilitation option.

GAMBLERS' ASSISTANCE

Gamblers' Assistance Fund (IC 4-33-12-6)

Total Operating Expense	4,250,000	4,250,000
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SUBSTANCE ABUSE TREATMENT

Total Operating Expense	5,006,000	5,006,000
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QUALITY ASSURANCE/RESEARCH

Total Operating Expense	884,304	884,304
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PREVENTION

Gamblers' Assistance Fund (IC 4-33-12-6)

Total Operating Expense	2,946,936	2,946,936
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Augmentation allowed.

METHADONE DIVERSION CONTROL OVERSIGHT (MDCO) PROGRAM

MDCO Fund (IC 12-23-18)

Total Operating Expense	26,269	26,269
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Augmentation allowed.

DMHA YOUTH TOBACCO REDUCTION SUPPORT PROGRAM

Gamblers' Assistance Fund (IC 4-33-12-6)

Total Operating Expense	54,000	54,000
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Augmentation allowed.

EVANSVILLE STATE HOSPITAL

General Fund

22,395,551	22,407,654
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Mental Health Fund (IC 12-24-14-4)

1,235,014	1,235,682
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Augmentation allowed.

The amounts specified from the general fund and the mental health fund are for the following purposes:

Personal Services	18,516,201	18,528,972
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Other Operating Expense	5,114,364	5,114,364
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LARUE CARTER MEMORIAL HOSPITAL

General Fund

18,887,386	18,895,892
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Mental Health Fund (IC 12-24-14-4)

443,622	443,822
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Augmentation allowed.

The amounts specified from the general fund and the mental health fund are for the following purposes:

Personal Services	12,562,778	12,571,484
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Other Operating Expense	6,768,230	6,768,230
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LOGANSPOUT STATE HOSPITAL**General Fund**

38,746,342 38,765,733

Mental Health Fund (IC 12-24-14-4)

1,764,662 1,765,546

Augmentation allowed.

The amounts specified from the general fund and the mental health fund are for the following purposes:

Personal Services	29,854,331	29,874,606
Other Operating Expense	10,656,673	10,656,673

FARM REVENUE

Total Operating Expense	53,857	53,857
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MADISON STATE HOSPITAL**General Fund**

20,947,363 20,959,654

Mental Health Fund (IC 12-24-14-4)

811,461 811,937

Augmentation allowed.

The amounts specified from the general fund and the mental health fund are for the following purposes:

Personal Services	18,439,326	18,452,093
Other Operating Expense	3,319,498	3,319,498

RICHMOND STATE HOSPITAL**General Fund**

30,590,520 30,605,663

Mental Health Fund (IC 12-24-14-4)

876,500 876,934

Augmentation allowed.

The amounts specified from the general fund and the mental health fund are for the following purposes:

Personal Services	25,548,982	25,564,559
Other Operating Expense	5,918,038	5,918,038

PATIENT PAYROLL

Total Operating Expense	316,800	316,800
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The foregoing appropriations for the mental health institutions are for the operations of Evansville Psychiatric Treatment Center for Children, Evansville State Hospital, Larue D. Carter Memorial Hospital, Logansport State Hospital, Madison State Hospital,

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Richmond State Hospital.

Sixty-six percent (66%) of the revenue accruing to the state mental health institutions under IC 12-15 shall be deposited in the mental health fund established by IC 12-24-14, and thirty-four percent (34%) of the revenue accruing to the institutions, under IC 12-15, shall be deposited in the state general fund.

In addition to the above appropriations each institution may qualify for an additional appropriation, or allotment, subject to approval of the governor and the budget agency, from the mental health fund of up to twenty percent (20%), but not to exceed \$50,000 in each fiscal year, of the amount by which actual net collections exceed an amount specified in writing by the division of mental health before July 1 of each year beginning July 1, 2005.

DIVISION OF FAMILY RESOURCES ADMINISTRATION

Personal Services	5,546,004	5,551,722
Other Operating Expense	934,602	934,602

CENTRAL REIMBURSEMENT OFFICE PROGRAM ADMINISTRATION

Total Operating Expense	6,399,705	6,399,705
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CHILD CARE LICENSING FUND

Child Care Fund

Total Operating Expense	100,000	100,000
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Augmentation allowed.

ELECTRONIC BENEFIT TRANSFER PROGRAM

Total Operating Expense	1,800,766	1,800,766
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The foregoing appropriations for the division of family resources Title IV-D of the federal Social Security Act are made under, and not in addition to, IC 12-17-2-31.

STATE WELFARE - COUNTY ADMINISTRATION

Total Operating Expense	62,326,010	62,326,010
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INDIANA CLIENT ELIGIBILITY SYSTEM (ICES)

Total Operating Expense	7,007,662	7,007,662
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IMPACT PROGRAM

Total Operating Expense	2,449,580	2,449,683
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TEMPORARY ASSISTANCE TO NEEDY FAMILIES (TANF)

Total Operating Expense	40,457,943	40,457,943
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IMPACT - TANF

Total Operating Expense	5,768,527	5,768,672
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CHILD CARE & DEVELOPMENT FUND

Total Operating Expense	35,056,200	35,056,200
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The foregoing appropriations for information systems/technology, education and training, temporary assistance to needy families (TANF), and child care services are for the purpose of enabling the division of family resources to carry out all services as provided in IC 12-14. In addition to the above appropriations, all money received from the federal government and paid into the state treasury as a grant or allowance is appropriated and shall be expended by the division of family resources for the respective purposes for which such money was allocated and paid to this state.

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DOMESTIC VIOLENCE PREVENTION AND TREATMENT

General Fund

Total Operating Expense	1,000,000	1,000,000
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Domestic Violence Prevention and Treatment Fund (IC 12-18-4)

Total Operating Expense	1,000,000	1,000,000
--------------------------------	------------------	------------------

Augmentation allowed.

STEP AHEAD

Total Operating Expense	1,789,082	1,789,312
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FOOD ASSISTANCE PROGRAM

Total Operating Expense	145,506	145,506
--------------------------------	----------------	----------------

HEALTHY FAMILIES INDIANA

Total Operating Expense	6,223,086	6,223,086
--------------------------------	------------------	------------------

YOUTH SERVICE BUREAU

Total Operating Expense	1,250,000	1,250,000
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The director of the division of family resources shall establish standards for youth service bureaus. Any youth service bureau that is not an agency of a unit of local government or is not registered with the Indiana secretary of state as a nonprofit corporation shall not be funded. The division of family resources shall fund all youth service bureaus that meet the standards as established June 30, 1983. However, a grant may not be made without approval by the budget agency after review by the budget committee.

PROJECT SAFEPLACE

Total Operating Expense	125,000	125,000
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SCHOOL AGE CHILD CARE PROJECT FUND

Total Operating Expense	550,000	550,000
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SOCIAL SERVICES BLOCK GRANT (SSBG)

Total Operating Expense	20,863,880	20,864,042
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The funds appropriated above to the social services block grant are allocated in the following manner during the biennium:

Division of Disability, Aging, and Rehabilitative Services

1,030,877	1,030,877
------------------	------------------

Division of Family Resources

12,725,150	12,725,150
-------------------	-------------------

Department of Child Services

5,515,999	5,516,161
------------------	------------------

Department of Health

296,504	296,504
----------------	----------------

Department of Correction

1,295,350	1,295,350
------------------	------------------

DIVISION OF DISABILITY, AGING, AND REHABILITATIVE SERVICES ADMINISTRATION

General Fund

Total Operating Expense	3,080	3,455
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1	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
2	Total Operating Expense	3,012,462	3,012,462

3

4 The above appropriations for the division of disability, aging, and rehabilitative

5 services administration are for administrative expenses. Any federal fund reimbursements

6 received for such purposes are to be deposited in the state general fund.

7

8	ROOM AND BOARD ASSISTANCE (R-CAP)		
9	Total Operating Expense	11,421,472	11,421,472
10	C.H.O.I.C.E. IN-HOME SERVICES		
11	Total Operating Expense	49,765,643	49,765,897

12

13 The foregoing appropriations for C.H.O.I.C.E. In-Home Services include

14 intragovernmental transfers to provide the nonfederal share of the Medicaid aged and

15 disabled waiver. In addition to the Medicaid aged and disabled waivers provided under

16 intragovernmental transfers, additional funds may be used each year for Medicaid aged

17 and disabled waivers. The family and social services administration shall cause the

18 utilization of co-payments for C.H.O.I.C.E. In-Home Services that is proportional

19 to an individual's income.

20

21 If the appropriations for C.H.O.I.C.E. In-Home Services are insufficient to

22 provide services to all eligible persons, the division of disability, aging, and

23 rehabilitative services may give priority for services to persons who are unable

24 to perform three (3) or more activities of daily living (as defined in IC 12-10-10-1.5).

25 The division of disability, aging, and rehabilitative services may discontinue

26 conducting assessments for individuals applying for services under the C.H.O.I.C.E.

27 In-Home Services program if a waiting list for such services exists.

28

29 The division of disability, aging, and rehabilitative services shall conduct an annual

30 evaluation of the cost effectiveness of providing home care. Before January of each

31 year, the division shall submit a report to the budget committee, the budget agency,

32 and the legislative council that covers all aspects of the division's evaluation

33 and such other information pertaining thereto as may be requested by the budget committee,

34 the budget agency, or the legislative council, including the following:

- 35 (1) the number and demographic characteristics of the recipients of home care during
- 36 the preceding fiscal year;
- 37 (2) the total cost and per recipient cost of providing home care services during
- 38 the preceding fiscal year;
- 39 (3) the number of recipients of home care services who would have been placed in
- 40 long term care facilities had they not received home care services; and
- 41 (4) the total cost savings during the preceding fiscal year realized by the state
- 42 due to recipients of home care services (including Medicaid) being diverted from
- 43 long term care facilities.

44 The division shall obtain from providers of services data on their costs and expenditures

45 regarding implementation of the program and report the findings to the budget committee,

46 the budget agency, and the legislative council.

47

48	OLDER HOOSIERS ACT		
49	Total Operating Expense	1,842,109	1,842,109



1	ADULT PROTECTIVE SERVICES		
2	Total Operating Expense	2,021,540	2,021,540
3	ADULT GUARDIANSHIP SERVICES		
4	Total Operating Expense	491,863	491,892
5	TITLE V EMPLOYMENT GRANT (OLDER WORKERS)		
6	Total Operating Expense	6,436	6,436
7	TITLE III ADMINISTRATION GRANT		
8	Total Operating Expense	307,282	307,446
9	OMBUDSMAN		
10	Total Operating Expense	305,226	305,226
11	VOCATIONAL REHABILITATION SERVICES		
12	Personal Services	3,440,619	3,443,026
13	Other Operating Expense	14,133,156	14,133,156
14	AID TO INDEPENDENT LIVING		
15	Total Operating Expense	22,008	22,008
16	ATTAIN PROJECT		
17	Total Operating Expense	353,748	353,748
18	OFFICE OF DEAF AND HEARING IMPAIRED		
19	Personal Services	285,036	285,235
20	Other Operating Expense	211,396	211,396
21	BLIND VENDING OPERATIONS		
22	Total Operating Expense	129,879	129,905
23	DEVELOPMENTAL DISABILITY RESIDENTIAL FACILITIES COUNCIL		
24	Personal Services	2,970	2,970
25	Other Operating Expense	13,168	13,168
26	OFFICE OF SERVICES FOR THE BLIND AND VISUALLY IMPAIRED		
27	Personal Services	255,036	255,036
28	Other Operating Expense	73,907	73,907
29	EMPLOYEE TRAINING		
30	Total Operating Expense	6,112	6,112
31	MEDICAID WAIVER		
32	Total Operating Expense	316,333	316,390
33	OBRA/PASSARR		
34	Total Operating Expense	90,212	90,268
35	BUREAU OF QUALITY IMPROVEMENT SERVICES - BQIS		
36	Total Operating Expense	1,919,027	1,919,027
37	DAY SERVICES - DEVELOPMENTALLY DISABLED		
38	Other Operating Expense	22,976,381	22,976,381
39	DIAGNOSIS AND EVALUATION		
40	Other Operating Expense	930,788	930,788
41	SUPPORTED EMPLOYMENT		
42	Other Operating Expense	3,117,498	3,117,498
43	EPILEPSY PROGRAM		
44	Other Operating Expense	460,954	460,954
45	FAMILY SUBSIDY PROGRAM		
46	Other Operating Expense	1,004,700	1,004,700
47	RESIDENTIAL SERVICES - CASE MANAGEMENT		
48	General Fund		
49	Total Operating Expense	4,436,985	4,436,985

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1	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
2	Total Operating Expense	2,050,626	2,050,626
3	Augmentation allowed.		
4	RESIDENTIAL SERVICES FOR DEVELOPMENTALLY DISABLED PERSONS		
5	General Fund		
6	Total Operating Expense	91,749,831	107,967,677
7	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
8	Total Operating Expense	22,300,000	22,300,000
9	Augmentation allowed.		

10
11 The above appropriations for client services include the intragovernmental transfers
12 necessary to provide the nonfederal share of reimbursement under the Medicaid program
13 for day services provided to residents of group homes and nursing facilities.

14
15 In the development of new community residential settings for persons with developmental
16 disabilities, the division of disability, aging, and rehabilitative services must
17 give priority to the appropriate placement of such persons who are eligible for Medicaid
18 and currently residing in intermediate care or skilled nursing facilities and, to
19 the extent permitted by law, such persons who reside with aged parents or guardians
20 or families in crisis.

21
22 **FORT WAYNE STATE DEVELOPMENTAL CENTER**

23	General Fund		
24		359,900	359,900
25	Mental Health Fund (IC 12-24-14-4)		
26		1,838,145	1,839,050
27	Augmentation allowed.		

28
29 The amounts specified from the general fund and the mental health fund are for the
30 following purposes:

31			
32	Personal Services	1,625,184	1,626,089
33	Other Operating Expense	572,861	572,861
34			

35 Sixty-six percent (66%) of the revenue accruing to the above named state developmental
36 centers under IC 12-15 shall be deposited in the mental health fund established under
37 IC 12-24-14, and thirty-four percent (34%) of the revenue accruing to the above named
38 institutions under IC 12-15 shall be deposited in the state general fund.

39
40 In addition to the above appropriations, each institution may qualify for an additional
41 appropriation, or allotment, subject to approval of the governor and the budget agency,
42 from the mental health fund of up to twenty percent (20%) but not to exceed \$50,000,
43 of the amount in which actual net collections exceed an amount specified in writing
44 by the division of disability, aging, and rehabilitative services before July 1 of
45 each year beginning July 1, 2005.

46
47 **FOR THE DEPARTMENT OF CHILD SERVICES**

48 **DEPARTMENT OF CHILD SERVICES - ADMINISTRATION**

49	Personal Services	43,544,968	51,464,968
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1	Other Operating Expense	6,450,032	6,450,032
2	CHILD WELFARE SERVICES STATE GRANTS		
3	General Fund		
4	Total Operating Expense	10,698,884	10,698,884
5	Excise and Financial Institution Taxes		
6	Total Operating Expense	6,275,000	6,275,000
7	Augmentation allowed.		
8	TITLE IV-D OF THE FEDERAL SOCIAL SECURITY ACT (STATE MATCH)		
9	Total Operating Expense	3,969,158	3,971,838

The foregoing appropriations for the department of child services Title IV-D of the federal Social Security Act are made under, and not in addition to, IC 12-17-2-31.

14	TITLE IV-B CHILD WELFARE ADMINISTRATION		
15	Total Operating Expense	484,286	484,560
16	CHILD WELFARE TRAINING		
17	Total Operating Expense	1,106,281	1,106,281
18	SPECIAL NEEDS ADOPTION II		
19	Personal Services	231,108	231,271
20	Other Operating Expense	445,797	445,797
21	Augmentation allowed.		
22	ADOPTION ASSISTANCE		
23	Total Operating Expense	7,954,083	7,954,083

The foregoing appropriations for Title IV-B child welfare and adoption assistance represent the maximum state match for Title IV-B, and Title IV-E.

28	NON-RECURRING ADOPTION ASSISTANCE		
29	Total Operating Expense	625,000	625,000
30	INDIANA SUPPORT ENFORCEMENT TRACKING (ISETS)		
31	Total Operating Expense	4,067,520	4,067,718
32	CHILD PROTECTION AUTOMATION PROJECT (ICWIS)		
33	Total Operating Expense	5,260,522	5,260,550

B. PUBLIC HEALTH

FOR THE STATE DEPARTMENT OF HEALTH

38	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
39	Personal Services	22,131,052	22,146,865
40	Other Operating Expense	5,194,560	5,194,560

All receipts to the state department of health from licenses or permit fees shall be deposited in the state general fund. Augmentation allowed in amounts not to exceed additional revenue from penalties or fees enacted or implemented for collection by the state department of health after January 1, 2003.

47	CANCER REGISTRY		
48	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
49	Total Operating Expense	253,651	253,803

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MINORITY HEALTH INITIATIVE

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	2,091,224	2,091,224
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The foregoing appropriations shall be allocated to the Indiana Minority Health Coalition to work with the state department on the implementation of IC 16-46-11.

SICKLE CELL

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	232,500	232,500
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AID TO COUNTY TUBERCULOSIS HOSPITALS

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Other Operating Expense	107,397	107,397
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These funds shall be used for eligible expenses according to IC 16-21-7-3 for tuberculosis patients for whom there are no other sources of reimbursement, including patient resources, health insurance, medical assistance payments, and hospital care for the indigent.

MEDICARE-MEDICAID CERTIFICATION

Total Operating Expense	6,132,535	6,136,279
--------------------------------	------------------	------------------

Personal services augmentation allowed in amounts not to exceed additional revenue from health facilities license fee increases or from health care providers (as defined in IC 16-18-2-163) fee increases enacted after January 1, 2003, or adopted by the Executive Board of the Indiana State Department of Health pursuant to IC 16-19-3.

AIDS EDUCATION

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Personal Services	421,851	422,146
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Other Operating Expense	277,953	277,953
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HIV/AIDS SERVICES

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	2,325,004	2,325,004
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TEST FOR DRUG AFFLICTED BABIES

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	62,496	62,496
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The above appropriations for drug afflicted babies shall be used for the following purposes:

- (1) All newborn infants shall be tested for the presence of a controlled substance in the infant's meconium if they meet the criteria established by the state department of health. These criteria will, at a minimum, include all newborns, if at birth:
 - (A) the infant's weight is less than two thousand five hundred (2,500) grams;
 - (B) the infant's head is smaller than the third percentile for the infant's gestational age; and
 - (C) there is no medical explanation for the conditions described in clauses (A) and (B).
- (2) If a meconium test determines the presence of a controlled substance in the infant's meconium, the infant may be declared a child in need of services as provided in IC 31-34-1-10 through IC 31-34-1-13. However, the child's mother may not be prosecuted



in connection with the results of the test.

(3) The state department of health shall provide forms on which the results of a meconium test performed on an infant under subdivision (1) must be reported to the state department of health by physicians and hospitals.

(4) The state department of health shall, at least semi-annually:

(A) ascertain the extent of testing under this chapter; and

(B) report its findings under subdivision (1) to:

(i) all hospitals;

(ii) physicians who specialize in obstetrics and gynecology or work with infants and young children; and

(iii) any other group interested in child welfare that requests a copy of the report from the state department of health.

(5) The state department of health shall designate at least one (1) laboratory to perform the meconium test required under subdivisions (1) through (8). The designated laboratories shall perform a meconium test on each infant described in subdivision (1) to detect the presence of a controlled substance.

(6) Subdivisions (1) through (7) do not prevent other facilities from conducting tests on infants to detect the presence of a controlled substance.

(7) Each hospital and physician shall:

(A) take or cause to be taken a meconium sample from every infant born under the hospital's and physician's care who meets the description under subdivision (1); and

(B) transport or cause to be transported each meconium sample described in clause (A) to a laboratory designated under subdivision (5) to test for the presence of a controlled substance as required under subdivisions (1) through (7).

(8) The state department of health shall establish guidelines to carry out this program, including guidance to physicians, medical schools, and birthing centers as to the following:

(A) Proper and timely sample collection and transportation under subdivision (7) of this appropriation.

(B) Quality testing procedures at the laboratories designated under subdivision (5) of this appropriation.

(C) Uniform reporting procedures.

(D) Appropriate diagnosis and management of affected newborns and counseling and support programs for newborns' families.

(9) A medically appropriate discharge of an infant may not be delayed due to the results of the test described in subdivision (1) or due to the pendency of the results of the test described in subdivision (1).

STATE CHRONIC DISEASES

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Personal Services	100,449	100,519
Other Operating Expense	444,398	444,398

At least \$82,560 of the above appropriations shall be for grants to community groups and organizations as provided in IC 16-46-7-8.

WOMEN, INFANTS, AND CHILDREN SUPPLEMENT

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	176,700	176,700
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MATERNAL AND CHILD HEALTH SUPPLEMENT

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	176,700	176,700
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Notwithstanding IC 6-7-1-30.2, the above appropriations for the women, infants, and children supplement and maternal and child health supplement are the total appropriations provided for this purpose.

CANCER EDUCATION AND DIAGNOSIS - BREAST CANCER

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	93,000	93,000
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CANCER EDUCATION AND DIAGNOSIS - PROSTATE CANCER

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	93,000	93,000
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ADOPTION HISTORY

Adoption History Fund (IC 31-19-18-6)

Total Operating Expense	187,354	187,472
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Augmentation allowed.

CHILDREN WITH SPECIAL HEALTH CARE NEEDS

Total Operating Expense	5,808,756	5,809,042
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NEWBORN SCREENING PROGRAM

Newborn Screening Fund (IC 16-41-17-11)

Personal Services	406,346	406,607
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Other Operating Expense	817,780	817,780
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Augmentation allowed.

INDIANA HEALTH CARE PROFESSIONAL RECRUITMENT AND RETENTION

Indiana Medical and Nursing Grant Fund (IC 16-46-5-8)

Total Operating Expense	137,201	137,201
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Augmentation allowed.

RADON GAS TRUST FUND

Radon Gas Trust Fund (IC 16-41-38-8)

Total Operating Expense	14,701	14,701
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Augmentation allowed.

BIRTH PROBLEMS REGISTRY

Birth Problems Registry Fund (IC 16-38-4-17)

Personal Services	31,356	31,375
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Other Operating Expense	12,070	12,070
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Augmentation allowed.

MOTOR FUEL INSPECTION PROGRAM

Motor Fuel Inspection Fund (IC 16-44-3-10)

Total Operating Expense	82,448	82,471
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Augmentation allowed.

PROJECT RESPECT

Total Operating Expense	596,280	596,280
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DONATED DENTAL SERVICES

Total Operating Expense	46,500	46,500
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The above appropriation shall be used by the Indiana foundation for dentistry for the handicapped.

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OFFICE OF WOMEN'S HEALTH

Total Operating Expense	159,599	159,599
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SILVERCREST CHILDREN'S DEVELOPMENT CENTER

Personal Services	7,769,136	7,774,637
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Other Operating Expense	627,805	627,805
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SOLDIERS' AND SAILORS' CHILDREN'S HOME

Personal Services	9,556,682	9,563,296
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Other Operating Expense	1,377,441	1,377,441
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INDIANA VETERANS' HOME

From the General Fund

12,530,104	12,542,859
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From the Comfort - Welfare Fund

11,936,223	11,936,223
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The amounts specified from the General Fund and the Comfort-Welfare Fund are for the following purposes:

Personal Services	20,124,846	20,137,601
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Other Operating Expense	4,341,481	4,341,481
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Subject to approval of the budget agency, any revenue accruing to the Silvercrest Children's Development Center and Soldiers' and Sailors' Children's Home from the receipt of Medicaid reimbursement may be used to augment the above appropriations. Any revenues not used for augmentation shall be deposited in the state general fund.

MINORITY EPIDEMIOLOGY

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	500,000	500,000
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COMMUNITY HEALTH CENTERS

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	15,003,071	15,003,197
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TOBACCO HEALTH PROGRAMS

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	2,461,400	2,461,400
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PRENATAL SUBSTANCE USE & PREVENTION

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	150,000	150,000
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LOCAL HEALTH MAINTENANCE FUND

Local Maintenance Fund (IC 16-46-10-1)

Total Operating Expense	2,460,000	2,460,000
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Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	1,400,000	1,400,000
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The above appropriations for the local health maintenance fund from the tobacco master settlement agreement fund is in lieu of the appropriation provided for this purpose in IC 6-7-1-30.5 or any other law. Of the above appropriations for the local health maintenance fund, \$60,000 each year shall be used to provide additional funding to adjust funding through the formula in IC 16-46-10 to reflect population increases



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in various counties.

LOCAL HEALTH DEPARTMENT ACCOUNT

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	3,000,000	3,000,000
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The foregoing appropriations for the local health department account are statutory distributions pursuant to IC 4-12-7.

FOR THE TOBACCO USE PREVENTION AND CESSATION BOARD

TOBACCO USE PREVENTION AND CESSATION PROGRAM

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	10,858,441	10,859,308
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FOR THE INDIANA SCHOOL FOR THE BLIND

Personal Services	10,285,542	10,288,991
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Other Operating Expense	828,069	828,069
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FOR THE INDIANA SCHOOL FOR THE DEAF

Personal Services	16,774,951	16,781,064
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Other Operating Expense	2,106,845	2,106,845
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C. VETERANS' AFFAIRS

FOR THE INDIANA DEPARTMENT OF VETERANS' AFFAIRS

Personal Services	659,214	659,679
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Other Operating Expense	204,667	204,667
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The foregoing appropriations for the Indiana department of veterans' affairs include operating funds for the veterans' cemetery. Notwithstanding IC 10-17-1-6, staff employed for the operation and maintenance of the veterans' cemetery shall be selected as are all other state employees.

DISABLED AMERICAN VETERANS OF WORLD WARS

Total Operating Expense	40,000	40,000
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AMERICAN VETERANS OF WORLD WAR II, KOREA, AND VIETNAM

Total Operating Expense	30,000	30,000
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VETERANS OF FOREIGN WARS

Total Operating Expense	30,000	30,000
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VIETNAM VETERANS OF AMERICA

Total Operating Expense		20,000
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SECTION 9. [EFFECTIVE JULY 1, 2005]

EDUCATION

A. HIGHER EDUCATION

FOR INDIANA UNIVERSITY



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BLOOMINGTON CAMPUS**Total Operating Expense****195,251,210****195,251,210****Fee Replacement****19,061,205****21,963,824****FOR INDIANA UNIVERSITY REGIONAL CAMPUSES****EAST****Total Operating Expense****7,820,575****7,820,575****Fee Replacement****1,923,721****2,021,910****KOKOMO****Total Operating Expense****10,258,818****10,258,818****Fee Replacement****2,301,636****2,419,116****NORTHWEST****Total Operating Expense****17,541,419****17,541,419****Fee Replacement****4,064,192****4,271,634****SOUTH BEND****Total Operating Expense****23,078,419****23,078,419****Fee Replacement****5,611,429****5,897,844****SOUTHEAST****Total Operating Expense****20,259,903****20,259,903****Fee Replacement****4,938,091****5,190,138****TOTAL APPROPRIATION - INDIANA UNIVERSITY REGIONAL CAMPUSES****97,798,203 98,759,776****FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY****AT INDIANAPOLIS (IUPUI)****HEALTH DIVISIONS****Total Operating Expense****89,040,286****89,040,286****Fee Replacement****3,246,609****3,250,567****FOR INDIANA UNIVERSITY - REGIONAL MEDICAL CENTERS****EVANSVILLE REGIONAL MEDICAL CENTER****Total Operating Expense****1,501,752****1,501,752****FORT WAYNE REGIONAL MEDICAL CENTER****Total Operating Expense****1,381,517****1,381,517****NORTHWEST REGIONAL MEDICAL CENTER****Total Operating Expense****1,962,634****1,962,634****LAFAYETTE REGIONAL MEDICAL CENTER****Total Operating Expense****1,751,927****1,751,927****MUNCIE REGIONAL MEDICAL CENTER****Total Operating Expense****1,575,268****1,575,268****SOUTH BEND REGIONAL MEDICAL CENTER****Total Operating Expense****1,460,873****1,460,873****TERRE HAUTE REGIONAL MEDICAL CENTER****Total Operating Expense****1,741,676****1,741,676**

The Indiana University school of medicine shall submit to the Indiana commission for higher education before May 15 of each year an accountability report containing data on the number of medical school graduates who entered primary care physician

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residencies in Indiana from the school's most recent graduating class.

FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY AT INDIANAPOLIS (IUPUI)
GENERAL ACADEMIC DIVISIONS

Total Operating Expense	91,391,396	91,391,396
Fee Replacement	16,414,606	16,434,615

TOTAL APPROPRIATIONS - IUPUI
211,468,544 211,492,511

Transfers of allocations between campuses to correct for errors in allocation among the campuses of Indiana University can be made by the institution with the approval of the commission for higher education and the budget agency. Indiana University shall maintain current operations at all statewide medical education sites.

FOR INDIANA UNIVERSITY

ABILENE NETWORK OPERATIONS CENTER

Total Operating Expense	817,502	817,502
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SPINAL CORD AND HEAD INJURY RESEARCH CENTER

Total Operating Expense	514,726	514,726
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OPTOMETRY BOARD EDUCATION FUND

Total Operating Expense	29,000	1,500
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STATE DEPARTMENT OF TOXICOLOGY

Total Operating Expense	644,058	644,058
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INSTITUTE FOR THE STUDY OF DEVELOPMENTAL DISABILITIES

Total Operating Expense	2,432,526	2,432,526
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GEOLOGICAL SURVEY

Total Operating Expense	3,046,002	3,046,002
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INDUSTRIAL RESEARCH LIAISON PROGRAM

Total Operating Expense	249,964	249,964
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LOCAL GOVERNMENT ADVISORY COMMISSION

Total Operating Expense	55,518	55,518
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FOR PURDUE UNIVERSITY

WEST LAFAYETTE

Total Operating Expense	240,172,228	240,172,228
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Fee Replacement	17,606,980	18,650,141
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FOR PURDUE UNIVERSITY - REGIONAL CAMPUSES

CALUMET

Total Operating Expense	26,680,810	26,680,810
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Fee Replacement	1,930,940	1,941,138
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NORTH CENTRAL

Total Operating Expense	10,789,624	10,789,624
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TOTAL APPROPRIATION - PURDUE UNIVERSITY REGIONAL CAMPUSES

39,401,374 39,411,572

FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY

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AT FORT WAYNE (IUPUFW)

Total Operating Expense	36,950,335	36,950,335
Fee Replacement	3,334,353	3,240,770

Transfers of allocations between campuses to correct for errors in allocation among the campuses of Purdue University can be made by the institution with the approval of the commission for higher education and the budget agency.

FOR PURDUE UNIVERSITY

ANIMAL DISEASE DIAGNOSTIC LABORATORY SYSTEM

Total Operating Expense	3,387,166	3,387,166
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The above appropriations shall be used to fund the animal disease diagnostic laboratory system (ADDL), which consists of the main ADDL at West Lafayette, the bangs disease testing service at West Lafayette, and the southern branch of ADDL Southern Indiana Purdue Agricultural Center (SIPAC) in Dubois County. The above appropriations are in addition to any user charges that may be established and collected under IC 15-2.1-5-6. Notwithstanding IC 15-2.1-5-5, the trustees of Purdue University may approve reasonable charges for testing for pseudorabies.

STATEWIDE TECHNOLOGY

Total Operating Expense	5,468,960	5,468,960
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COUNTY AGRICULTURAL EXTENSION EDUCATORS

Total Operating Expense	7,103,447	7,103,447
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AGRICULTURAL RESEARCH AND EXTENSION - CROSSROADS

Total Operating Expense	7,107,724	7,107,724
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CENTER FOR PARALYSIS RESEARCH

Total Operating Expense	513,085	513,085
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UNIVERSITY-BASED BUSINESS ASSISTANCE

Total Operating Expense	1,100,715	1,100,715
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NORTH CENTRAL - VALPO NURSING PARTNERSHIP

Total Operating Expense	98,662	0
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FOR INDIANA STATE UNIVERSITY

Total Operating Expense	79,013,473	79,013,473
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Fee Replacement	7,089,814	7,085,059
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FOR UNIVERSITY OF SOUTHERN INDIANA

Total Operating Expense	34,661,625	34,661,625
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Fee Replacement	5,873,552	5,870,552
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HISTORIC NEW HARMONY

Total Operating Expense	356,216	356,216
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YOUNG ABE LINCOLN

Total Operating Expense	1	1
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FOR BALL STATE UNIVERSITY

Total Operating Expense	125,904,106	125,904,106
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Fee Replacement	7,824,168	9,517,024
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ACADEMY FOR SCIENCE, MATHEMATICS, AND HUMANITIES

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1	Total Operating Expense	4,196,355	4,196,355
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2

3 **FOR VINCENNES UNIVERSITY**

4	Total Operating Expense	36,582,028	36,582,028
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5	Fee Replacement	3,888,283	4,525,648
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6

7 **FOR IVY TECH STATE COLLEGE**

8	Total Operating Expense	135,750,337	135,750,337
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9	Fee Replacement	11,757,465	12,693,681
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10

11 **Of the above appropriations for IVY TECH total operating expense, \$135,000 each year**

12 **shall be used for the Community Learning Center in Portage.**

13

14 **FOR THE INDIANA HIGHER EDUCATION TELECOMMUNICATIONS SYSTEM (IHETS)**

15	Total Operating Expense	6,661,610	6,661,610
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16

17 **The sums herein appropriated to Indiana University, Purdue University, Indiana State**

18 **University, University of Southern Indiana, Ball State University, Vincennes University,**

19 **Ivy Tech State College, and the Indiana Higher Education Telecommunications System**

20 **(IHETS) are in addition to all income of said institutions and IHETS, respectively,**

21 **from all permanent fees and endowments and from all land grants, fees, earnings,**

22 **and receipts, including gifts, grants, bequests, and devises, and receipts from any**

23 **miscellaneous sales from whatever source derived.**

24

25 **All such income and all such fees, earnings, and receipts on hand June 30, 2005,**

26 **and all such income and fees, earnings, and receipts accruing thereafter are hereby**

27 **appropriated to the boards of trustees or directors of the aforementioned institutions**

28 **and IHETS and may be expended for any necessary expenses of the respective institutions**

29 **and IHETS, including university hospitals, schools of medicine, nurses' training**

30 **schools, schools of dentistry, and agricultural extension and experimental stations.**

31 **However, such income, fees, earnings, and receipts may be used for land and structures**

32 **only if approved by the governor and the budget agency.**

33

34 **The foregoing appropriations and allocations for fee replacement are for replacement**

35 **of student fees deducted during the 2005-2007 biennium to cover bond or lease-purchase**

36 **principal, interest, and other obligations of debt costs of facility construction**

37 **and acquisition for those projects authorized by the general assembly. These fee**

38 **replacement appropriations and allocations shall be allotted by the budget agency**

39 **after receipt of verification of payment of such debt cost expense.**

40

41 **The foregoing appropriations to Indiana University, Purdue University, Indiana State**

42 **University, University of Southern Indiana, Ball State University, Vincennes University,**

43 **Ivy Tech State College, and IHETS include the employers' share of Social Security**

44 **payments for university and IHETS employees under the public employees' retirement**

45 **fund, or institutions covered by the Indiana state teachers' retirement fund. The**

46 **funds appropriated also include funding for the employers' share of payments to the**

47 **public employees' retirement fund and to the Indiana state teachers' retirement fund**

48 **at a rate to be established by the retirement funds for both fiscal years for each**

49 **institution and for IHETS employees covered by these retirement plans.**



The treasurers of Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, Vincennes University, and Ivy Tech State College shall, at the end of each three (3) month period, prepare and file with the auditor of state a financial statement that shall show in total all revenues received from any source, together with a consolidated statement of disbursements for the same period. The budget director shall establish the requirements for the form and substance of the reports.

The reports of the treasurer also shall contain in such form and in such detail as the governor and the budget agency may specify, complete information concerning receipts from all sources, together with any contracts, agreements, or arrangements with any federal agency, private foundation, corporation, or other entity from which such receipts accrue.

All such treasurers' reports are matters of public record and shall include without limitation a record of the purposes of any and all gifts and trusts with the sole exception of the names of those donors who request to remain anonymous.

Notwithstanding IC 4-10-11, the auditor of state shall draw warrants to the treasurers of Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, Vincennes University, and Ivy Tech State College on the basis of vouchers stating the total amount claimed against each fund and/or account, but not to exceed the legally made appropriations.

Notwithstanding IC 4-12-1-14, for universities and colleges supported in whole or in part by state funds, grant applications and lists of applications need only be submitted upon request to the budget agency for review and approval or disapproval and, unless disapproved by the budget agency, federal grant funds may be requested and spent without approval by the budget agency. Each institution shall retain the applications for a reasonable period of time and submit a list of all grant applications, at least monthly, to the commission for higher education for informational purposes.

For all university special appropriations, an itemized list of intended expenditures, in such form as the governor and the budget agency may specify, shall be submitted to support the allotment request. All budget requests for university special appropriations shall be furnished in a like manner and as a part of the operating budgets of the state universities.

The trustees of Indiana University, the trustees of Purdue University, the trustees of Indiana State University, the trustees of University of Southern Indiana, the trustees of Ball State University, the trustees of Vincennes University, the trustees of Ivy Tech State College, and the directors of IHETS are hereby authorized to accept federal grants, subject to IC 4-12-1.

Fee replacement funds are to be distributed as requested by each institution, on payment due dates, subject to available appropriations.

If an early payment of an amount appropriated to any of the aforementioned institutions

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or IHETS is made in either state fiscal year of the biennium to eliminate an otherwise authorized payment delay to a later state fiscal year, the amount may be used only for the purposes approved by the state budget agency after review by the state budget committee.

**FOR THE MEDICAL EDUCATION BOARD
FAMILY PRACTICE RESIDENCY FUND**

Total Operating Expense	2,249,791	2,249,791
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Of the foregoing appropriations for the medical education board-family practice residency fund, \$1,000,000 each year shall be used for grants for the purpose of improving family practice residency programs serving medically underserved areas.

MEDICAL EDUCATION - INTERN RESIDENCY PROGRAM

Total Operating Expense	1	1
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FOR THE COMMISSION FOR HIGHER EDUCATION

Total Operating Expense	1,478,533	1,478,533
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INDIANA CAREER AND POSTSECONDARY ADVANCEMENT CENTER

Total Operating Expense	866,094	866,094
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FOR THE DEPARTMENT OF ADMINISTRATION

ANIMAL DISEASE DIAGNOSTIC LABORATORY LEASE RENTAL

Total Operating Expense	1,047,240	1,042,345
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COLUMBUS LEARNING CENTER LEASE PAYMENT

Total Operating Expense	1,842,000	3,831,500
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FOR THE STATE BUDGET AGENCY

GIGAPOP PROJECT

Total Operating Expense	727,638	727,638
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SOUTH CENTRAL EDUCATIONAL ALLIANCE

BEDFORD SERVICE AREA

Total Operating Expense	280,710	280,710
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SOUTHEAST INDIANA EDUCATION SERVICES

Total Operating Expense	742,468	742,468
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The above appropriation for southeast Indiana education services may be expended with the approval of the budget agency after review by the commission for higher education and the budget committee.

DEGREE LINK

Total Operating Expense	500,375	500,375
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The above appropriations shall be used for the delivery of Indiana State University baccalaureate degree programs at Ivy Tech State College and Vincennes University locations through Degree Link. Distributions shall be made upon the recommendation of the Indiana commission for higher education and with approval by the budget agency after review by the budget committee.

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1	WORKFORCE CENTERS		
2	Total Operating Expense	837,000	837,000
3	MIDWEST HIGHER EDUCATION COMMISSION		
4	Total Operating Expense	90,000	90,000

The distribution of total university operating and line item appropriations for the 2005-2006 fiscal year to Indiana University, Purdue University, Indiana State University, Ball State University, the University of Southern Indiana, Vincennes University, Ivy Tech State College, the Indiana Higher Education Telecommunications System (IHETS), the Indiana commission for higher education (ICHE), and the budget agency includes one-twelfth (1/12) of the calculated amounts appropriated for fiscal year 2004-2005 by P.L. 291-2001, as adjusted by P.L. 178-2002 and budget agency implementation of the deficit management plan, and eleven-twelfths (11/12) of the appropriations for fiscal year 2005-2006.

The distribution of total university operating and line item appropriations for the 2006-2007 fiscal year to Indiana University, Purdue University, Indiana State University, Ball State University, the University of Southern Indiana, Vincennes University, Ivy Tech State College, IHETS, ICHE, and the budget agency includes one-twelfth (1/12) of the amount appropriated for fiscal year 2005-2006 and eleven-twelfths (11/12) of the amount appropriated for fiscal year 2006-2007.

FOR THE STATE STUDENT ASSISTANCE COMMISSION

24	Total Operating Expense	1,240,723	1,240,723
25	FREEDOM OF CHOICE GRANTS		
26	Total Operating Expense	41,751,997	46,035,799
27	HIGHER EDUCATION AWARD PROGRAM		
28	Total Operating Expense	106,959,572	120,674,940
29	NURSING SCHOLARSHIP PROGRAM		
30	Total Operating Expense	402,142	402,142
31	HOOSIER SCHOLAR PROGRAM		
32	Total Operating Expense	400,000	400,000

For the higher education awards and freedom of choice grants made for the 2005-2007 biennium, the following guidelines shall be used, notwithstanding current administrative rule or practice:

- (1) Financial Need: For purposes of these awards, financial need shall be limited to actual undergraduate tuition and fees for the prior academic year as established by the commission.
- (2) Maximum Base Award: The maximum award shall not exceed the lesser of:
 - (A) eighty percent (80%) of actual prior academic year undergraduate tuition and fees; or
 - (B) eighty percent (80%) of the sum of the highest prior academic year undergraduate tuition and fees at any public institution of higher education and the lowest appropriation per full-time equivalent (FTE) undergraduate student at any public institution of higher education.
- (3) Minimum Award: No actual award shall be less than \$200.
- (4) Award Size: A student's maximum award shall be reduced one (1) time:
 - (A) for dependent students, by the expected contribution from parents based upon



information submitted on the financial aid application form; and
 (B) for independent students, by the expected contribution derived from information submitted on the financial aid application form.
 (5) Award Adjustment: The maximum base award may be adjusted by the commission, for any eligible recipient who fulfills college preparation requirements defined by the commission.
 (6) Adjustment: If the dollar amounts of eligible awards exceed appropriations and program reserves, all awards may be adjusted by the commission by reducing the maximum award under subdivision (2)(A) or (2)(B).

For the Hoosier scholar program for the 2005-2007 biennium, each award shall not exceed five hundred dollars (\$500) and shall be made available for one (1) year only. Receipt of this award shall not reduce any other award received under any state funded student assistance program.

STATUTORY FEE REMISSION

Total Operating Expense	17,482,349	19,648,108
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PART-TIME GRANT PROGRAM

Total Operating Expense	5,250,000	5,250,000
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Priority for awards made from the above appropriation shall be given first to eligible students meeting TANF income eligibility guidelines as determined by the family and social services administration and second to eligible students who received awards from the part time grant fund during the school year associated with the biennial budget year. Funds remaining shall be distributed according to procedures established by the commission. The maximum grant that an applicant may receive for a particular academic term shall be established by the commission but shall in no case be greater than a grant for which an applicant would be eligible under IC 20-12-21 if the applicant were a full-time student. The commission shall collect and report to the family and social services administration (FSSA) all data required for FSSA to meet the data collection and reporting requirements in 45 CFR Part 265.

The family and social services administration, division of family and children shall apply all qualifying expenditures for the part time grant program toward Indiana's maintenance of effort under the federal Temporary Assistance to Needy Families (TANF) program (45 CFR 260 et seq.).

CONTRACT FOR INSTRUCTIONAL OPPORTUNITIES IN SOUTHEASTERN INDIANA

Total Operating Expense	603,407	603,407
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MINORITY TEACHER SCHOLARSHIP FUND

Total Operating Expense	399,768	399,768
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COLLEGE WORK STUDY PROGRAM

Total Operating Expense	805,189	805,189
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21ST CENTURY ADMINISTRATION

Total Operating Expense	4,086,443	4,086,443
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21ST CENTURY SCHOLAR AWARDS

Total Operating Expense	18,402,449	19,171,429
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Augmentation for 21st Century Scholar Awards allowed from the General Fund.



The commission shall collect and report to the family and social services administration (FSSA) all data required for FSSA to meet the data collection and reporting requirements in 45 CFR Part 265.

Family and social services, division of family and children shall apply all qualifying expenditures for the 21st century scholars program toward Indiana's maintenance of effort under the federal Temporary Assistance to Needy Families (TANF) program (45 CFR 260 et seq.)

NATIONAL GUARD SCHOLARSHIP

Total Operating Expense	3,033,730	3,299,821
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The above appropriations for national guard scholarship and any program reserves existing on June 30, 2005, shall be the total allowable state expenditure for the program in the 2005-2007 biennium. If the dollar amounts of eligible awards exceed appropriations and program reserves, the state student assistance commission shall develop a plan to insure that the total dollar amount does not exceed the above appropriations and any program reserves.

B. ELEMENTARY AND SECONDARY EDUCATION

FOR THE DEPARTMENT OF EDUCATION

STATE BOARD OF EDUCATION

Total Operating Expense	3,152,112	3,152,112
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The foregoing appropriations for the Indiana state board of education are for the education roundtable established by IC 20-1-20.5-3; for the academic standards project to distribute copies of the academic standards and provide teachers with curriculum frameworks; for special evaluation and research projects including national and international assessments; and for state board and roundtable administrative expenses.

SUPERINTENDENT'S OFFICE

Personal Services	686,467	686,877
Other Operating Expense	1,439,160	1,437,682

PUBLIC TELEVISION DISTRIBUTION

Total Operating Expense	2,357,563	2,357,563
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These appropriations are for grants for public television. The Indiana Public Broadcasting Stations, Inc. shall submit a distribution plan for the eight Indiana public education television stations that shall be approved by the budget agency and reviewed by the budget committee. The above appropriation includes the costs of transmission for the "GED-on-TV" program. Of the above appropriations, \$100,000 each year shall be distributed equally among the eight radio stations.

RESEARCH AND DEVELOPMENT PROGRAMS

Personal Services	86,958	86,959
Other Operating Expense	270,390	270,390



Of the foregoing appropriations for Research and Development Programs, \$100,000 each year shall be used for the Indiana University Education Policy Center.

DEPUTY SUPERINTENDENT'S OFFICE

Personal Services	457,320	457,562
Other Operating Expense	92,839	92,603

RILEY HOSPITAL

Total Operating Expense	27,900	27,900
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ADMINISTRATION AND FINANCIAL MANAGEMENT

Personal Services	2,143,064	2,144,538
Other Operating Expense	298,207	296,808

MOTORCYCLE OPERATOR SAFETY EDUCATION FUND

Safety Education Fund (IC 20-10.1-7-14)

Personal Services	132,303	132,397
Other Operating Expense	892,177	892,087

The foregoing appropriations for the motorcycle operator safety education fund are from the motorcycle operator safety education fund created by IC 20-10.1-7-14.

SCHOOL TRAFFIC SAFETY

Motor Vehicle Highway Account (IC 8-14-1)

Personal Services	242,813	242,989
Other Operating Expense	30,405	30,236

Augmentation allowed.

CENTER FOR SCHOOL ASSESSMENT

Personal Services	310,777	311,004
Other Operating Expense	706,025	705,800

ACCREDITATION SYSTEM

Personal Services	471,390	471,732
Other Operating Expense	489,547	489,210

SPECIAL EDUCATION (S-5)

Total Operating Expense	30,000,000	30,000,000
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The foregoing appropriations for special education are made under IC 20-1-6-19.

CENTER FOR COMMUNITY RELATIONS AND SPECIAL POPULATIONS

Personal Services	234,467	234,580
Other Operating Expense	78,988	78,879

SPECIAL EDUCATION EXCISE

Alcoholic Beverage Excise Tax Funds (IC 20-1-6-10)

Personal Services	344,177	344,351
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Augmentation allowed.

GED-ON-TV PROGRAM

Other Operating Expense	229,500	229,500
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The foregoing appropriation is for grants to provide GED-ON-TV programming. The GED-ON-TV Program shall submit for review by the budget committee an annual report on utilization of this appropriation.

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VOCATIONAL EDUCATION

Personal Services	1,318,379	1,319,338
Other Operating Expense	40,532	39,599

ADVANCED PLACEMENT PROGRAM

Other Operating Expense	894,400	894,400
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The above appropriations for the Advanced Placement program are to provide funding for students of accredited public and nonpublic schools.

PSAT PROGRAM

Other Operating Expense	717,449	717,449
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The above appropriations for the PSAT program are to provide funding for students of accredited public and nonpublic schools.

CENTER FOR SCHOOL IMPROVEMENT AND PERFORMANCE

Personal Services	1,701,420	1,701,447
Other Operating Expense	978,089	978,089

PRINCIPAL LEADERSHIP ACADEMY

Personal Services	320,628	320,632
Other Operating Expense	142,204	142,204

EDUCATION SERVICE CENTERS

Total Operating Expense	1,721,287	1,721,287
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No appropriation made for an education service center shall be distributed to the administering school corporation of the center unless each participating school corporation of the center contracts to pay to the center at least three dollars (\$3) per student for fiscal year 2005-2006 based on the school corporation's ADM count as reported for school aid distribution in the fall of 2004, and at least three dollars (\$3) per student for fiscal year 2006-2007, based on the school corporation's ADM count as reported for school aid distribution beginning in the fall of 2005. Before notification of education service centers of the formula and components of the formula for distribution of funds for education service centers, review and approval of the formula and components must be made by the budget agency.

TRANSFER TUITION (STATE EMPLOYEES' CHILDREN AND ELIGIBLE CHILDREN IN MENTAL HEALTH FACILITIES)

Total Operating Expense	50,000	50,000
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The foregoing appropriations for transfer tuition (state employees' children and eligible children in mental health facilities) are made under IC 20-8.1-6.1-6 and IC 20-8.1-6.1-5.

TEACHERS' SOCIAL SECURITY AND RETIREMENT DISTRIBUTION

Total Operating Expense	2,403,792	2,403,792
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The foregoing appropriations shall be distributed by the department of education on a monthly basis and in approximately equal payments to special education cooperatives, area vocational schools, and other governmental entities that received state teachers'



Social Security distributions for certified education personnel (excluding the certified education personnel funded through federal grants) during the fiscal year beginning July 1, 1992, and ending June 30, 1993, and for the units under the Indiana state teacher's retirement fund, the amount they received during the 2002-2003 state fiscal year for teachers' retirement. If the total amount to be distributed is greater than the total appropriation, the department of education shall reduce each entity's distribution proportionately.

DISTRIBUTION FOR TUITION SUPPORT

General Fund

Total Operating Expense	2,089,400,242	2,067,229,408
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Property Tax Replacement Fund (IC 6-1.1-21)

Total Operating Expense	1,641,524,758	1,619,353,925
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The foregoing appropriations for distribution for tuition support are to be distributed for tuition support, special education programs, vocational education programs, at-risk programs, honors grants, and the primetime program in accordance with a statute enacted for this purpose during the 2005 session of the general assembly.

If the above appropriations for distribution for tuition support are more than are required under this SECTION, one-half (1/2) of any excess shall revert to the state general fund and one-half (1/2) of any excess shall revert to the property tax replacement fund.

The above appropriations for tuition support shall be made each calendar year under a schedule set by the budget agency and approved by the governor. However, the schedule shall provide for at least twelve (12) payments, that one (1) payment shall be made at least every forty (40) days, and the aggregate of the payments in each calendar year shall equal the amount required under the statute enacted for the purpose referred to above.

DISTRIBUTION FOR SUMMER SCHOOL

Other Operating Expense	18,360,000	18,360,000
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It is the intent of the 2005 general assembly that the above appropriations for summer school shall be the total allowable state expenditure for such program. Therefore, if the expected disbursements are anticipated to exceed the total appropriation for that state fiscal year, then the department of education shall reduce the distributions proportionately.

EARLY INTERVENTION PROGRAM

Personal Services	13,000	13,000
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Other Operating Expense	3,707,000	3,707,000
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The above appropriations for the early intervention program are for grants to local school corporations for grant proposals for early intervention programs, including reading recovery and the Waterford method.

READING DIAGNOSTIC ASSESSMENT



1	Total Operating Expense	1,000,000	1,000,000
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2
3 The foregoing appropriations shall be used by the department for the reading diagnostic
4 assessment and subsequent remedial programs or activities. The reading diagnostic
5 assessment program, as approved by the board, is to be made available on a voluntary
6 basis to all Indiana public and non-public school first and second grade students
7 upon the approval of the governing body of school corporations. The board shall determine
8 how the funds will be distributed for the assessment and related remediation. The
9 department or its representative shall provide progress reports on the assessment
10 as requested by the board and the education roundtable.

11
12 **ADULT EDUCATION DISTRIBUTION**

13	Total Operating Expense	14,000,000	14,000,000
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14
15 It is the intent of the 2005 general assembly that the above appropriations for adult
16 education shall be the total allowable state expenditure for such program. Therefore,
17 if the expected disbursements are anticipated to exceed the total appropriation for
18 a state fiscal year, the department of education shall reduce the distributions proportionately.

19
20 **NATIONAL SCHOOL LUNCH PROGRAM**

21	Total Operating Expense	5,400,000	5,400,000
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22 **MARION COUNTY DESEGREGATION COURT ORDER**

23	Total Operating Expense	18,200,000	18,200,000
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24
25 The foregoing appropriations for court ordered desegregation costs are made pursuant
26 to order No. IP 68-C-225-S of the United States District Court for the Southern District
27 of Indiana. If the sums herein appropriated are insufficient to enable the state
28 to meet its obligations, then there are hereby appropriated from the state general
29 fund such further sums as may be necessary for such purpose.

30
31 **TEXTBOOK REIMBURSEMENT**

32	Total Operating Expense	19,902,559	19,902,644
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33
34 Before a school corporation or an accredited non-public school may receive a distribution
35 under the textbook reimbursement program, the school corporation or accredited non-public
36 school shall provide to the department the requirements established in IC 20-8.1-9-2.
37 The department shall provide to the family and social services administration (FSSA)
38 all data required for FSSA to meet the data collection reporting requirement in 45
39 CFR Part 265. Family and social services, division of family and children, shall
40 apply all qualifying expenditures for the textbook reimbursement program toward Indiana's
41 maintenance of effort under the federal Temporary Assistance to Needy Families (TANF)
42 program (45 CFR 260 et seq.).

43
44 **FULL DAY KINDERGARTEN**

45	Total Operating Expense	8,500,000	8,500,000
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46
47 The above appropriations for full-day kindergarten are available to a school corporation
48 that applies to the department of education for funding of full-day kindergarten.
49 The amount available to a school corporation equals the amount appropriated divided



by the total full-day kindergarten enrollment of all participating school corporations (as defined in IC 21-3-1.6-1.1) for the current year, and then multiplied by the school corporation's full-day kindergarten enrollment (as defined in IC 21-3-1.6-1.1) for the current year. A school corporation that is awarded a grant must provide to the department of education a financial report stating how the funds were spent. Any unspent funds at the end of the biennium must be returned to the state by the school corporation.

TESTING/REMEDATION

Other Operating Expense	31,410,450	31,410,450
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Prior to notification of local school corporations of the formula and components of the formula for distributing funds for remediation, review and approval of the formula and components shall be made by the budget agency. With the approval of the governor and the budget agency, the above appropriations for school assessment testing remediation may be augmented from revenues accruing to the secondary market sale fund established by IC 20-12-21.2-10.

The above appropriation for Testing/Remediation shall be used by school corporations to provide remediation programs for students who attend public and nonpublic schools. For purposes of tuition support, these students are not to be counted in the average daily membership.

GRADUATION EXAM REMEDIATION

Other Operating Expense	4,958,910	4,958,910
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Prior to notification of local school corporations of the formula and components of the formula for distributing funds for graduation exam remediation, review and approval of the formula and components shall be made by the budget agency. With the approval of the governor and the budget agency, the above appropriations for school assessment testing/remediation may be augmented from revenues accruing to the secondary market sale fund established by IC 20-12-21.2-10.

SPECIAL EDUCATION PRESCHOOL

Total Operating Expense	27,173,300	27,173,300
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The above appropriations shall be distributed to guarantee a minimum of \$2,750 per child enrolled in special education preschool programs from state and local sources in school corporations that levy the maximum special education tax rate for this purpose. It is the intent of the 2005 general assembly that the above appropriations for special education preschool shall be the total allowable expenditure for such program. Therefore, if the expected disbursements are anticipated to exceed the total appropriation for that state fiscal year, then the department of education shall reduce the distributions proportionately.

NON-ENGLISH SPEAKING PROGRAM

Other Operating Expense	700,000	700,000
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The above appropriations for the non-English speaking program are for pupils who



have a primary language other than English and limited English proficiency, as determined by using a standard proficiency examination that has been approved by the department of education.

The grant amount is seventy-five dollars (\$75) per pupil. It is the intent of the 2005 general assembly that the above appropriations for the non-English speaking program shall be the total allowable state expenditure for the program. If the expected distributions are anticipated to exceed the total appropriations for the state fiscal year, the department of education shall reduce each school corporation's distribution proportionately.

GIFTED AND TALENTED EDUCATION PROGRAM

Personal Services	211,199	211,348
Other Operating Expense	5,625,138	5,624,992

DISTRIBUTION FOR ADULT VOCATIONAL EDUCATION

Total Operating Expense	250,000	250,000
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The distribution for adult vocational education programs shall be made in accordance with the state plan for vocational education.

PRIMETIME

Personal Services	172,564	172,566
Other Operating Expense	34,467	34,467

DRUG FREE SCHOOLS

Personal Services	52,360	52,361
Other Operating Expense	20,093	20,093

PROFESSIONAL DEVELOPMENT DISTRIBUTION

Other Operating Expense	13,812,500	13,812,500
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The foregoing appropriations for professional development distributions include schools defined under IC 20-10.2-2-11.

ALTERNATIVE SCHOOLS

Total Operating Expense	6,380,059	6,380,319
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**EDUCATIONAL TECHNOLOGY PROGRAM AND FUND
(INCLUDING 4R'S TECHNOLOGY GRANT PROGRAM)**

Total Operating Expense	2,109,031	2,109,036
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Of the foregoing appropriations, \$825,000 shall be allocated to the buddy system each state fiscal year during the biennium. The remaining amounts shall be allocated for technology programs and resources for kindergarten through twelfth grade, and the operation of the office of the special assistant to the superintendent of public instruction for technology.

TECHNOLOGY PLAN GRANT PROGRAM (IC 20-10.1-25.3)

Total Operating Expense	5,000,000
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Notwithstanding IC 20-10.1-25.3-9, the department of education may adjust the grant

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amount to reflect available funding.

**FOR THE INDIANA STATE TEACHERS' RETIREMENT FUND
POSTRETIREMENT PENSION INCREASES**

Other Operating Expense	47,527,438	45,381,551
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The appropriations for postretirement pension increases are made for those benefits and adjustments provided in IC 21-6.1-6 and IC 5-10.2-5.

TEACHERS' RETIREMENT FUND DISTRIBUTION

Other Operating Expense	502,400,000	536,200,000
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Augmentation allowed.

If the amount actually required under the pre-1996 account of the teachers' retirement fund for actual benefits for the Post Retirement Pension Increases effective prior to the 114th General Assembly that are funded on a "pay as you go" basis plus the base benefits is greater than the above appropriations, after notice to the governor and the budget agency of the deficiency, the above appropriations shall be augmented from the pension stabilization fund established by IC 21-6.1-2-8. The portion of the benefit funded by the annuity account and the actuarially funded Post Retirement Pension Increases shall not be part of this calculation. If the amount actually required for the Post Retirement Pension Increases effective prior to the 114th General Assembly that are funded on a pay as you go" basis plus the base benefits under the pre-1996 account of the teachers' retirement fund is less than the above appropriations for the year, the excess shall be transferred to the general fund. The portion of the benefit funded by the annuity account and the actuarially funded Post Retirement Pension Increases shall not be part of this calculation.

FOR THE PROFESSIONAL STANDARDS BOARD - ADMINISTRATION

Personal Services	2,107,205	2,108,399
Other Operating Expense	4,636,308	4,636,308

Each mentor teacher is entitled to a maximum annual stipend of \$600 to be paid from the foregoing appropriations.

There is created the professional standards board licensing fund to be administered by the professional standards board. The fund shall consist of fee revenues collected under the provisions of IC 20-1-1.4-7. Money in the fund does not revert at the end of the state fiscal year. Money in the fund is continuously appropriated for use by the board for administrative expenses in relation to carrying out its duties under the provisions of IC 20-1-1.4-7.

The above appropriations for professional standards board administration are in addition to the appropriation made to the professional standards licensing fund established in this SECTION.

C. OTHER EDUCATION

FOR THE EDUCATION EMPLOYMENT RELATIONS BOARD



1	Personal Services	637,399	637,806
2	Other Operating Expense	45,354	45,354
3	PUBLIC EMPLOYEE RELATIONS BOARD		
4	Total Operating Expense	32,550	32,550

5			
6	FOR THE STATE LIBRARY		
7	Personal Services	2,867,740	2,869,750
8	Other Operating Expense	729,954	729,954

9	DISTRIBUTION TO PUBLIC LIBRARIES		
10	Other Operating Expense	607,936	607,936

11

12 The foregoing appropriations for distribution to public libraries shall be distributed

13 among the public libraries of the state of Indiana under IC 4-23-7.1. However, a

14 public library district that does not provide for the issuance of library cards free

15 of charge or for a fee to all individuals who reside in the county in which that

16 public library district is located shall not be considered an eligible public library

17 district in determining the amounts to be distributed under IC 4-23-7.1 and is not

18 entitled to a distribution under IC 4-23-7.1.

19			
20	INDIANA COOPERATIVE LIBRARY SERVICES AUTHORITY		
21	Total Operating Expense	2,408,848	2,408,848
22	ACADEMY OF SCIENCE		
23	Total Operating Expense	8,811	8,811

24			
25	FOR THE ARTS COMMISSION		
26	Personal Services	329,919	330,168
27	Other Operating Expense	3,302,296	3,302,056

28			
29	FOR THE HISTORICAL BUREAU		
30	Personal Services	403,124	403,408
31	Other Operating Expense	9,554	9,554

32	HISTORICAL MARKER PROGRAM		
33	Total Operating Expense		

34			
35	FOR THE COMMISSION ON PROPRIETARY EDUCATION		
36	Personal Services	447,806	448,129
37	Other Operating Expense	6,865	6,865

38

39 **SECTION 10. [EFFECTIVE JULY 1, 2005]**

40

41 **DISTRIBUTIONS**

42			
43	FOR THE PROPERTY TAX REPLACEMENT FUND BOARD		
44	Property Tax Replacement Fund (IC 6-1.1-21)		
45	Total Operating Expense	2,055,009,197	2,111,609,197

46

47 Adjustments may be made to this appropriation under IC 6-1.1-21-4.

48

49 **SECTION 11. [EFFECTIVE JULY 1, 2005]**

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The following allocations of federal funds are available for vocational and technical education under the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2301, et seq. for Vocational and Technical Education) (20 U.S.C. 2371 for Tech Prep Education). These funds shall be received by the department of workforce development, commission on vocational and technical education, and shall be allocated by the budget agency after consultation with the commission on vocational and technical education, the department of education, the commission for higher education, and the department of correction. Funds shall be allocated to these agencies in accordance with the allocations specified below:

STATE PROGRAMS AND LEADERSHIP

2,655,188 2,655,188

SECONDARY VOCATIONAL PROGRAMS

14,878,845 14,878,845

POSTSECONDARY VOCATIONAL PROGRAMS

8,522,925 8,522,925

TECHNOLOGY - PREPARATION EDUCATION

2,465,494 2,465,494

SECTION 12. [EFFECTIVE JULY 1, 2005]

In accordance with IC 20-1-18.3, the budget agency, with the advice of the commission on vocational and technical education and the budget committee, may augment or reduce an allocation of federal funds made under SECTION 11 of this act.

SECTION 13. [EFFECTIVE JULY 1, 2005]

Utility bills for the month of June, travel claims covering the period June 16 to June 30, payroll for the period of the last half of June, any interdepartmental bills for supplies or services for the month of June, and any other miscellaneous expenses incurred during the period June 16 to June 30 shall be charged to the appropriation for the succeeding year. No interdepartmental bill shall be recorded as a refund of expenditure to any current year allotment account for supplies or services rendered or delivered at any time during the preceding June period.

SECTION 14. [EFFECTIVE JULY 1, 2005]

The budget agency, under IC 4-10-11, IC 4-12-1-13, and IC 4-13-1, in cooperation with the Indiana department of administration, may fix the amount of reimbursement for traveling expenses (other than transportation) for travel within the limits of Indiana. This amount may not exceed actual lodging and miscellaneous expenses incurred. A person in travel status, as defined by the state travel policies and procedures established by the Indiana department of administration and the budget agency, is entitled to a meal allowance not to exceed during any twenty-four (24) hour period the standard meal allowances established by the federal Internal Revenue Service.

All appropriations provided by this act or any other statute, for traveling and hotel expenses for any department, officer, agent, employee, person, trustee, or commissioner,

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are to be used only for travel within the state of Indiana, unless those expenses are incurred in traveling outside the state of Indiana on trips that previously have received approval as required by the state travel policies and procedures established by the Indiana department of administration and the budget agency. With the required approval, a reimbursement for out-of-state travel expenses may be granted in an amount not to exceed actual lodging and miscellaneous expenses incurred. A person in travel status is entitled to a meal allowance not to exceed during any twenty-four (24) hour period the standard meal allowances established by the federal Internal Revenue Service for properly approved travel within the continental United States and a minimum of \$50 during any twenty-four (24) hour period for properly approved travel outside the continental United States. However, while traveling in Japan, the minimum meal allowance shall not be less than \$90 for any twenty-four (24) hour period. While traveling in Korea and Taiwan, the minimum meal allowance shall not be less than \$85 for any twenty-four (24) hour period; while traveling in Singapore, China, Great Britain, Germany, the Netherlands, and France, the minimum meal allowance shall not be less than \$65 for any twenty-four (24) hour period.

In the case of the state supported institutions of postsecondary education, approval for out-of-state travel may be given by the chief executive officer of the institution, or the chief executive officer's authorized designee, for the chief executive officer's respective personnel.

Before reimbursing overnight travel expenses, the auditor of state shall require documentation as prescribed in the state travel policies and procedures established by the Indiana department of administration and the budget agency. No appropriation from any fund may be construed as authorizing the payment of any sum in excess of the standard mileage rates for personally owned transportation equipment established by the federal Internal Revenue Service when used in the discharge of state business. The Indiana department of administration and the budget agency may adopt policies and procedures relative to the reimbursement of travel and moving expenses of new state employees and the reimbursement of travel expenses of prospective employees who are invited to interview with the state.

SECTION 15. [EFFECTIVE JULY 1, 2005]

Notwithstanding IC 4-10-11-2.1, the salary per diem of members of boards, commissions, and councils who are entitled to a salary per diem is \$50 per day. However, members of boards, commissions, or councils who receive an annual or a monthly salary paid by the state are not entitled to the salary per diem provided in IC 4-10-11-2.1.

SECTION 16. [EFFECTIVE JULY 1, 2005]

No payment for personal services shall be made by the auditor of state unless the payment has been approved by the budget agency or the designee of the budget agency.

SECTION 17. [EFFECTIVE JULY 1, 2005]

No warrant for operating expenses, capital outlay, or fixed charges shall be issued to any department or an institution unless the receipts of the department or institution



1 have been deposited into the state treasury for the month. However, if a department
2 or an institution has more than \$10,000 in daily receipts, the receipts shall be
3 deposited into the state treasury daily.
4

5 **SECTION 18. [EFFECTIVE JULY 1, 2005]**
6

7 In case of loss by fire or any other cause involving any state institution or department,
8 the proceeds derived from the settlement of any claim for the loss shall be deposited
9 in the state treasury, and the amount deposited is hereby reappropriated to the institution
10 or department for the purpose of replacing the loss. If it is determined that the
11 loss shall not be replaced, any funds received from the settlement of a claim shall
12 be deposited into the state general fund.
13

14 **SECTION 19. [EFFECTIVE JULY 1, 2005]**
15

16 If an agency has computer equipment in excess of the needs of that agency, then the
17 excess computer equipment may be sold under the provisions of surplus property sales,
18 and the proceeds of the sale or sales shall be deposited in the state treasury. The
19 amount so deposited is hereby reappropriated to that agency for other operating expenses
20 of the then current year, if approved by the director of the budget agency.
21

22 **SECTION 20. [EFFECTIVE JULY 1, 2005]**
23

24 If any state penal or benevolent institution other than the Indiana state prison,
25 Pendleton correctional facility, or Putnamville correctional facility shall, in the
26 operation of its farms, produce products, or commodities in excess of the needs of
27 the institution, the surplus may be sold through the division of industries and farms,
28 the director of the supply division of the Indiana department of administration,
29 or both. The proceeds of any such sale or sales shall be deposited in the state treasury.
30 The amount deposited is hereby reappropriated to the institution for expenses of
31 the then current year if approved by the director of the budget agency. The exchange
32 between state penal and benevolent institutions of livestock for breeding purposes
33 only is hereby authorized at valuations agreed upon between the superintendents or
34 wardens of the institutions. Capital outlay expenditures may be made from the institutional
35 industries and farms revolving fund if approved by the budget agency and the governor.
36

37 **SECTION 21. [EFFECTIVE JULY 1, 2005]**
38

39 This act does not authorize any rehabilitation and repairs to any state buildings,
40 nor does it allow that any obligations be incurred for lands and structures, without
41 the prior approval of the budget director or the director's designee. This SECTION
42 does not apply to contracts for the state universities supported in whole or in part
43 by state funds.
44

45 **SECTION 22. [EFFECTIVE JULY 1, 2005]**
46

47 If an agency has an annual appropriation fixed by law, and if the agency also receives
48 an appropriation in this act for the same function or program, the appropriation
49 in this act supersedes any other appropriations and is the total appropriation for



the agency for that program or function.

SECTION 23. [EFFECTIVE JULY 1, 2005]

The balance of any appropriation or funds heretofore placed or remaining to the credit of any division of the state of Indiana, and any appropriation or funds provided in this act placed to the credit of any division of the state of Indiana, the powers, duties, and functions whereof are assigned and transferred to any department for salaries, maintenance, operation, construction, or other expenses in the exercise of such powers, duties, and functions, shall be transferred to the credit of the department to which such assignment and transfer is made, and the same shall be available for the objects and purposes for which appropriated originally.

SECTION 24. [EFFECTIVE JULY 1, 2005]

The director of the division of procurement of the Indiana department of administration, or any other person or agency authorized to make purchases of equipment, shall not honor any requisition for the purchase of an automobile that is to be paid for from any appropriation made by this act or any other act, unless the following facts are shown to the satisfaction of the commissioner of the department of administration or the commissioner's designee:

(1) In the case of an elected state officer, it shall be shown that the duties of the office require driving about the state of Indiana in the performance of official duty.

(2) In the case of department or commission heads, it shall be shown that the statutory duties imposed in the discharge of the office require traveling a greater distance than one thousand (1,000) miles each month or that they are subject to official duty call at all times.

(3) In the case of employees, it shall be shown that the major portion of the duties assigned to the employee require travel on state business in excess of one thousand (1,000) miles each month, or that the vehicle is identified by the agency as an integral part of the job assignment. In computing the number of miles required to be driven by a department head or an employee, the distance between the individual's home and office or designated official station is not to be considered as a part of the total. Department heads shall annually submit justification for the continued assignment of each vehicle in their department, which shall be reviewed by the commissioner of the Indiana department of administration, or the commissioner's designee. There shall be an insignia permanently affixed on each side of all state owned cars, designating the cars as being state owned. However, this requirement does not apply to state owned cars driven by elected state officials or to cases where the commissioner of the Indiana department of administration or the commissioner's designee determines that affixing insignia on state owned cars would hinder or handicap the persons driving the cars in the performance of their official duties.

SECTION 25. [EFFECTIVE JULY 1, 2005]

When budget agency approval or review is required under this act, the budget agency may refer to the budget committee any budgetary or fiscal matter for an advisory recommendation. The budget committee may hold hearings and take any actions authorized



by IC 4-12-1-11, and may make an advisory recommendation to the budget agency.

SECTION 26. [EFFECTIVE JULY 1, 2005]

The governor of the state of Indiana is solely authorized to accept on behalf of the state any and all federal funds available to the state of Indiana. Federal funds received under this SECTION are appropriated for purposes specified by the federal government, subject to allotment by the budget agency. The provisions of this SECTION and all other SECTIONS concerning the acceptance, disbursement, review, and approval of any grant, loan, or gift made by the federal government or any other source to the state or its agencies and political subdivisions shall apply, notwithstanding any other law.

SECTION 27. [EFFECTIVE JULY 1, 2005]

Federal funds received as revenue by a state agency or department are not available to the agency or department for expenditure until allotment has been made by the budget agency under IC 4-12-1-12(d).

SECTION 28. [EFFECTIVE JULY 1, 2005]

A contract or an agreement for personal services or other services may not be entered into by any agency or department of state government without the approval of the budget agency or the designee of the budget director. Each demand for payment submitted by the agency or department to the auditor of state by claim voucher under such contracts or agreements shall be accompanied by a copy of the budget agency approval, or approval of any agency to whom the budget agency delegated signature authority, and no payment shall be made by the auditor of state without such approval.

SECTION 29. [EFFECTIVE JULY 1, 2005]

Except in those cases where a specific appropriation has been made to cover the payments for any of the following, the auditor of state shall transfer, from the personal services appropriations for each of the various agencies and departments, necessary payments for Social Security, public employees' retirement, health insurance, life insurance, and any other similar payments directed by the budget agency.

SECTION 30. [EFFECTIVE JULY 1, 2005]

Subject to SECTION 25 of this act as it relates to the budget committee, the budget agency with the approval of the governor may withhold allotments of any or all appropriations contained in this act for the 2005-2007 biennium, if it is considered necessary to do so in order to prevent a deficit financial situation.

SECTION 31. [EFFECTIVE JULY 1, 2004 (RETROACTIVE)]

Notwithstanding IC 32-34-1-34, the treasurer of state shall transfer on:

- (1) June 30, 2005;
- (2) June 30, 2006; and



(3) June 30, 2007;
any balance (excluding amounts needed to fund appropriations to the attorney general for personal services and other operating expenses for the unclaimed property program) in the abandoned property fund that exceeds five hundred thousand dollars (\$500,000) to the state general fund.

SECTION 32. [EFFECTIVE JULY 1, 2004 (RETROACTIVE)]

The following deficiency appropriation for the state fiscal year beginning July 1, 2004, and ending June 30, 2005, is made in addition to the appropriations in P.L.224-2003, SECTION 9:

**FOR THE DEPARTMENT OF EDUCATION
DISTRIBUTION FOR TUITION SUPPORT**

General Fund

Total Operating Expense 20,000,000

The budget agency shall transfer twenty million dollars (\$20,000,000) from the balance that existed as of January 31, 2005, in Account 6000/168900 to the state general fund to fund the deficiency appropriation made by this SECTION. The deficiency appropriation made by this SECTION is not subject to transfer to any other fund or subject to transfer, assignment, or reassignment for any other use or purpose by the state board of finance notwithstanding IC 4-9.1-1-7 and IC 4-13-2-23, or by the budget agency, notwithstanding IC 4-12-1-12, or any other law.

SECTION 33. [EFFECTIVE JULY 1, 2005]

CONSTRUCTION

For the 2005-2007 biennium, the following amounts, from the funds listed as follows, are hereby appropriated to provide for the construction, reconstruction, rehabilitation, repair, purchase, rental, and sale of state properties, capital lease rentals and the purchase and sale of land, including equipment for such properties.

State General Fund - Lease Rentals
243,893,130
State General Fund - Construction
162,689,177
State Police Building Commission Fund (IC 9-29-1-4)
10,500,000
Law Enforcement Academy Building Fund (IC 5-2-1-13)
1,300,000
Cigarette Tax Fund (IC 6-7-1-29.1)
3,000,000
Vocational Construction Projects Fund (IC 16-33-4-10)
375,000
Veterans' Home Building Fund (IC 10-17-9-7)
4,527,332
Post War Construction Fund (IC 7.1-4-8-1)
28,873,488

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1 **Industry and Farm Products Revolving Fund (IC 11-10-6-6)**
2 **110,292**
3 **Regional Health Care Construction Account (IC 4-12-8.5)**
4 **18,738,093**
5
6 **TOTAL 474,006,512**

7
8 **The allocations provided under this SECTION are made from the state general fund,**
9 **unless specifically authorized from other designated funds by this act. The budget**
10 **agency, with the approval of the governor, in approving the allocation of funds pursuant**
11 **to this SECTION, shall consider, as funds are available, allocations for the following**
12 **specific uses, purposes, and projects:**

13
14 **A. GENERAL GOVERNMENT**

15
16 **FOR THE HOUSE OF REPRESENTATIVES**

17 **House Renovations** **C**
150,000

18
19 **FOR THE STATE BUDGET AGENCY**

20 **Health and Safety Contingency Fund** **o**
5,888,000
21 **Aviation Technology Center** **o**
70,009
22 **Airport Facilities Lease** 41,917,375
23 **Qualitech Capital Lease** 5,888,000
24 **Heartland Steel Capital Lease** 2,554,000

25
26 **DEPARTMENT OF ADMINISTRATION - PROJECTS**

27 **Preventive Maintenance** **p**
4,100,020
28 **Repair and Rehabilitation** 18,000,000

29 **DEPARTMENT OF ADMINISTRATION - LEASES**

30 **General Fund**

31 **Lease - Government Center North** **y**
34,691,616
32 **Lease - Government Center South** 30,000,841
33 **Lease - State Museum** 15,000,975
34 **Lease - McCarty Street** 1,415,653
35 **Lease - Parking Garages** 12,576,651
36 **Lease - Wabash Valley Correctional** 24,324,343
37 **Lease - Rockville Correctional** 7,144,675
38 **Lease - Miami Correctional** 31,631,607
39 **Lease - Pendleton Juvenile Correctional** 9,334,000
40 **Lease - New Castle Correctional** 23,503,285
41 **Regional Health Care Construction Account (IC 4-12-8.5)**
42 **Lease - Evansville State Hospital** 6,541,168
43 **Lease - Southeast Regional Treatment** 6,951,700
44 **Lease - Logansport State Hospital** 5,245,225

45
46 **B. PUBLIC SAFETY**

47
48 **(1) LAW ENFORCEMENT**
49



1	INDIANA STATE POLICE	
2	State Police Building Commission Fund (IC 9-29-1-4)	
3	Preventive Maintenance	1,014,000
4	Automobiles	7,046,895
5	Repair and Rehabilitation	2,439,105
6		
7	LAW ENFORCEMENT TRAINING BOARD	
8	Law Enforcement Academy Building Fund (IC 5-2-1-13)	
9	Preventive Maintenance	1,170,000
10	Repair and Rehabilitation	130,000
11	ADJUTANT GENERAL	
12	Preventive Maintenance	113,400
13	Repair and Rehabilitation	1,151,700
14		
15	(2) CORRECTIONS	
16		
17	DEPARTMENT OF CORRECTION - PROJECTS	
18	Post War Construction Fund (IC 7.1-4-8-1)	
19	Repair and Rehabilitation	2,323,988
20	CORRECTIONAL UNITS	
21	Preventive Maintenance	119,000
22	Repair and Rehabilitation	119,000
23	Post War Construction Fund (IC 7.1-4-8-1)	
24	Repair and Rehabilitation	4,759,500
25	STATE PRISON	
26	Preventive Maintenance	1,000,322
27	Master Plan: Replace Industries Building	4,000,200
28	Post War Construction Fund (IC 7.1-4-8-1)	
29	A&E Fees: Repl.Cellhouse Locking Systems	250,000
30	Master Plan : New Visitation Building	2,500,000
31	Master Plan: New Checkpoint/Fencing	1,500,000
32	Repair and Rehabilitation	6,120,000
33	PENDLETON CORRECTIONAL FACILITY	
34	Preventive Maintenance	996,396
35	Post War Construction Fund (IC 7.1-4-8-1)	
36	Repair and Rehabilitation	75,000
37	WOMEN'S PRISON	
38	Preventive Maintenance	273,000
39	Repair and Rehabilitation	1,000,000
40	Post War Construction Fund (IC 7.1-4-8-1)	
41	Repair and Rehabilitation	550,000
42	NEW CASTLE CORRECTIONAL FACILITY	
43	Preventive Maintenance	660,660
44	PUTNAMVILLE CORRECTIONAL FACILITY	
45	Preventive Maintenance	843,022
46	Post War Construction Fund (IC 7.1-4-8-1)	
47	A&E Visitation/Administration Building	287,000
48	Repair and Rehabilitation	885,000
49	PLAINFIELD JUVENILE CORRECTIONAL FACILITY	



1	Preventive Maintenance	543,947
2	Post War Construction Fund (IC 7.1-4-8-1)	
3	Repair and Rehabilitation	540,000
4	INDIANAPOLIS JUVENILE CORRECTIONAL FACILITY	
5	Preventive Maintenance	325,146
6	Post War Construction Fund (IC 7.1-4-8-1)	
7	Repair and Rehabilitation	780,000
8	BRANCHVILLE CORRECTIONAL FACILITY	
9	Preventive Maintenance	344,870
10	Post War Construction Fund (IC 7.1-4-8-1)	
11	Repair and Rehabilitation	734,000
12	WESTVILLE CORRECTIONAL FACILITY	
13	Preventive Maintenance	1,191,891
14	Post War Construction Fund (IC 7.1-4-8-1)	
15	Master Plan - Vehicle Repair Building	00,000
16	Repair and Rehabilitation	1,000,000
17	ROCKVILLE CORRECTIONAL FACILITY	
18	Preventive Maintenance	344,870
19	PLAINFIELD CORRECTIONAL FACILITY	
20	Preventive Maintenance	555,751
21	Post War Construction Fund (IC 7.1-4-8-1)	
22	Repair and Rehabilitation	3,215,000
23	RECEPTION-DIAGNOSTIC CENTER	
24	Preventive Maintenance	216,472
25	Post War Construction Fund (IC 7.1-4-8-1)	
26	Repair and Rehabilitation	00,000
27	PEN PRODUCTS	
28	Industry and Farm Products Revolving Fund (IC 11-10-6-6)	
29	Preventive Maintenance	110,292
30	CORRECTIONAL INDUSTRIAL FACILITY	
31	Preventive Maintenance	520,023
32	Post War Construction Fund (IC 7.1-4-8-1)	
33	Repair and Rehabilitation	00,000
34	WORK RELEASE CENTERS	
35	Preventive Maintenance	100,732
36	WABASH VALLEY CORRECTIONAL FACILITY	
37	Preventive Maintenance	833,560
38	Post War Construction Fund (IC 7.1-4-8-1)	
39	Repair and Rehabilitation	299,000
40	MIAMI CORRECTIONAL FACILITY	
41	Preventive Maintenance	521,400
42	PENDLETON JUVENILE CORRECTIONAL FACILITY	
43	Preventive Maintenance	364,000
44		
45	C. CONSERVATION AND ENVIRONMENT	
46		
47	DEPARTMENT OF NATURAL RESOURCES - GENERAL ADMINISTRATION	
48	Preventive Maintenance	266,000
49	General Admin. - ADA	1,000,000



1	Repair and Rehabilitation	6,500,000
2	FISH AND WILDLIFE	
3	Preventive Maintenance	1,810,863
4	F&W - Public Access Land Acq.	817,000
5	Repair and Rehabilitation	2,555,000
6	FORESTRY	
7	Preventive Maintenance	1,756,800
8	Repair and Rehabilitation	5,119,650
9	MUSEUMS AND HISTORIC SITES	
10	Preventive Maintenance	331,586
11	Repair and Rehabilitation	3,768,520
12	NATURE PRESERVES	
13	Preventive Maintenance	134,200
14	Repair and Rehabilitation	1,725,000
15	OUTDOOR RECREATION	
16	Preventive Maintenance	306,000
17	Repair and Rehabilitation	375,000
18	STATE PARKS AND RESERVOIR MANAGEMENT	
19	Preventive Maintenance	2,945,654
20	Parks/Res. - Charlestown	3,889,000
21	Repair and Rehabilitation	1,200,000
22	Cigarette Tax Fund (IC 6-7-1-29.1)	
23	Preventive Maintenance	3,000,000
24	DIVISION OF WATER	
25	Preventive Maintenance	250,000
26	Repair and Rehabilitation	500,000
27	Shafer-Freeman Lakes Dredging Enhancement Project	1,000,000
28	ENFORCEMENT	
29	Preventive Maintenance	207,480
30	Repair and Rehabilitation	700,000
31	STATE MUSEUM	
32	Preventive Maintenance	500,000
33	Repair and Rehabilitation	500,000
34	OIL AND GAS	
35	Oil & Gas - Partnership Program	200,000
36	ENTOMOLOGY	
37	Entomology - Exotic Species Control	700,000
38	WAR MEMORIALS COMMISSION	
39	Preventive Maintenance	1,421,494
40	Repair and Rehabilitation	1,750,000
41	MAUMEE RIVER BASIN COMMISSION	
42	Repair and Rehabilitation	150,000
43	LITTLE CALUMET RIVER BASIN COMMISSION	
44	Little Calumet River Basin Devlpmnt Comm	4,000,000
45		
46	D. TRANSPORTATION	
47		
48	AIRPORT DEVELOPMENT	
49	Airport Development	1,200,000



The foregoing allocation for the Indiana department of transportation is for airport development and shall be used for the purpose of assisting local airport authorities and local units of government in matching available federal funds under the airport improvement program and for matching federal grants for airport planning and for the other airport studies. Matching grants of aid shall be made in accordance with the approved annual capital improvements program of the Indiana department of transportation and with the approval of the governor and the budget agency.

PORT COMMISSION

Pier #3 Southwind Maritime Center	1,200,000
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E. FAMILY AND SOCIAL SERVICES, HEALTH, AND VETERANS' AFFAIRS

(1) FAMILY AND SOCIAL SERVICES ADMINISTRATION

FSSA CONSTRUCTION

Repair and Rehabilitation	4,200,000
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EVANSVILLE PSYCHIATRIC CHILDREN'S CENTER

Preventive Maintenance	15,000
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Repair and Rehabilitation	5,000
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EVANSVILLE STATE HOSPITAL

Preventive Maintenance	756,756
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Repair and Rehabilitation	57,000
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MADISON STATE HOSPITAL

Preventive Maintenance	1,409
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LOGANSPOUT STATE HOSPITAL

Preventive Maintenance	63,144
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Transitional Care Unit	1,300,000
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Boiler Lease Payment	244,180
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Repair and Rehabilitation	3,211,925
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RICHMOND STATE HOSPITAL

Preventive Maintenance	1,000,724
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Repair and Rehabilitation	2,004,468
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LARUE CARTER MEMORIAL HOSPITAL

Preventive Maintenance	1,484,134
------------------------	-----------

Repair and Rehabilitation	1,500,000
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FORT WAYNE STATE DEVELOPMENTAL CENTER

Preventive Maintenance	1,424,803
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Repair and Rehabilitation	3,000,001
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(2) PUBLIC HEALTH

DEPARTMENT OF HEALTH

Repair and Rehabilitation	130,000
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SILVERCREST CHILDREN'S DEVELOPMENT CENTER

Preventive Maintenance	161,140
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SCHOOL FOR THE BLIND

Preventive Maintenance	565,714
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1	SCHOOL FOR THE DEAF	
2	Preventive Maintenance	553,120
3	Repair and Rehabilitation	72,752
4	SOLDIERS' AND SAILORS' CHILDREN'S HOME	
5	Preventive Maintenance	400,000
6	Repair and Rehabilitation	645,536
7	Vocational Construction Projects Fund (IC 16-33-4-10)	
8	Repair and Rehabilitation	375,000
9		
10	(3) VETERANS' AFFAIRS	
11		
12	INDIANA VETERANS' HOME	
13	Veterans' Home Building Fund (IC 10-17-9-7)	
14	Preventive Maintenance	1,000,000
15	Repair and Rehabilitation	1,27,332
16		
17	F. EDUCATION	
18		
19	HIGHER EDUCATION	
20		
21	INDIANA UNIVERSITY - TOTAL SYSTEM	
22	General Repair and Rehab	10,406,860
23	PURDUE UNIVERSITY - TOTAL SYSTEM	
24	General Repair and Rehab	8,305,774
25	INDIANA STATE UNIVERSITY	
26	General Repair and Rehab	2,000,338
27	UNIVERSITY OF SOUTHERN INDIANA	
28	General Repair and Rehab	1,000,414
29	BALL STATE UNIVERSITY	
30	General Repair and Rehab	2,621,020
31	VINCENNES UNIVERSITY	
32	General Repair and Rehab	1,000,204
33	IVY TECH STATE COLLEGE	
34	General Repair and Rehab	1,736,826

35

36 **SECTION 34. [EFFECTIVE JULY 1, 2005]**

37

38 The budget agency may employ one (1) or more architects or engineers to inspect

39 construction, rehabilitation, and repair projects covered by the appropriations in

40 this act or previous acts designated in this act.

41

42 **SECTION 35. [EFFECTIVE JULY 1, 2005]**

43

44 If any part of a construction or rehabilitation and repair appropriation made by

45 this act or any previous acts has not been allotted or encumbered before the expiration

46 of two (2) biennia, the budget agency may determine that the balance of the appropriation

47 is not available for allotment. The appropriation may be terminated and the balance

48 may revert to the fund from which the original appropriation was made.

49



1 **SECTION 36. [EFFECTIVE UPON PASSAGE]**

2
3 **The budget agency may retain balances in the mental health fund at the end of any**
4 **fiscal year to ensure there are sufficient funds to meet appropriations for state**
5 **developmental centers in any subsequent year.**
6

7 **SECTION 37. [EFFECTIVE JULY 1, 2005]**

8
9 **If the budget director makes a determination at any time during either fiscal year of the**
10 **biennium that the executive branch of state government cannot meet its statutory**
11 **obligations due to insufficient funds in the state general fund, then notwithstanding**
12 **IC 4-10-18, the budget agency, with the approval of the governor and after review by the**
13 **budget committee, may transfer from the counter-cyclical revenue and economic**
14 **stabilization fund to the state general fund an amount necessary to maintain a positive**
15 **balance in the state general fund.**

16 **SECTION 38. IC 4-9.1-1-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON**
17 **PASSAGE]: Sec. 7. (a) The board may transfer money between state funds, and the board may transfer**
18 **money between appropriations for any board, department, commission, office, or benevolent or penal**
19 **institution of the state. After the transfer is made the money of the fund or appropriation transferred**
20 **is not available to the fund or the board, department, commission, office, or benevolent or penal**
21 **institution from which it was transferred.**

22 **(b) In addition to a transfer under subsection (a), the board may transfer money from:**

23 **(1) a state fund; or**

24 **(2) an appropriation for any board, department, commission, office, or benevolent or penal**
25 **institution of the state;**

26 **to the Indiana economic development corporation.**

27 ~~(b)~~ **(c) An order by the board to make a transfer under this section is sufficient authority for the**
28 **making of appropriate entries showing the transfer on the books of the auditor of state and treasurer**
29 **of state.**

30 ~~(c)~~ **(d) The authority given the board under this section to make transfers does not apply to trust**
31 **funds. For the purposes of this section, "trust fund" means a fund which by the constitution or by**
32 **statute has been designated as a trust fund or a fund which has been determined by the board to be**
33 **trust fund.**

34 **SECTION 39. IC 4-10-9.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO**
35 **READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:**

36 **Chapter 9.5. Application**

37 **Sec. 1. As used in this chapter, "instrumentality" includes a body corporate and politic that:**

38 **(1) is established to carry out a state governmental purpose; and**

39 **(2) is not specifically exempted from the application of this chapter by a provision in this**
40 **chapter.**

41 **Sec. 2. This chapter does not apply to the following:**

42 **(1) A state educational institution (as defined in IC 20-12-0.5-1).**

43 **(2) A political subdivision (as defined in IC 36-1-2-13).**

44 **Sec. 3. This article applies to instrumentalities to the same extent as the article applies to**
45 **other state agencies and offices.**

46 **SECTION 40. IC 4-10-14-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON**
47 **PASSAGE]: Sec. 1. It shall be unlawful for:**

48 **(1) the board of trustees of any benevolent, scientific, or educational institution;**



1 **(2) an instrumentality to which IC 4-10-9.5 applies; or for**
2 **(3) any correctional facility of the state;**
3 to borrow money upon the credit of the state, or to contract any indebtedness on the credit of the state,
4 or to make expenditures for improvements for said institutions or correctional facilities in any way,
5 unless the said loans or expenditure of money are first authorized by an act of the general assembly
6 for such purposes.

7 SECTION 41. IC 4-12-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
8 PASSAGE]: Sec. 2. ~~As used in this~~ **The following definitions apply throughout this chapter unless**
9 a different meaning appears from the context:

10 **(a) (1) The word "Committee" means the budget committee.**

11 **(b) (2) The word "Director" or the term "budget director" means the person who is director of the**
12 **budget agency.**

13 **(c) (3) The term "Appointing authority" means the head of an agency of the state.**

14 **(d) (4) The terms "Agency of the state" or "agencies of the state" or "state agency" or "state**
15 **agencies" mean and include means:**

16 **(A) every office, officer, board, commission, department, division, bureau, committee, fund,**
17 **agency, and, without limitation by reason of any enumeration herein, in this chapter, every**
18 **other instrumentality of the state of Indiana, now existing or which may be whenever created;**
19 **hereafter;**

20 **(B) every hospital, every penal institution and every other institutional enterprise and act**
21 **of the state of Indiana, wherever located;**

22 **(C) the universities and colleges supported in whole or in part by state funds;**

23 **(D) the judicial department of the state of Indiana; and**

24 **(E) all nongovernmental organizations receiving financial support or assistance from the state**
25 **of Indiana. but shall not mean nor**

26 **However, the terms do not include cities, towns, townships, school cities, school towns, school**
27 **townships, school districts, nor other municipal corporations or political subdivisions of the state.**

28 **(e) (5) The terms "Budget bill" or "budget bills" shall mean means a bill for an act, or two (2)**
29 **or more such bills, prepared as authorized in this chapter, by which substantially all of the**
30 **appropriations are made that are necessary and required to carry on state government for the**
31 **budget period, if and when such bill is, or such bills are, enacted into law.**

32 **(f) (6) The term "Budget report" shall mean means a written explanation of the budget bill**
33 **bills, and a general statement of the reasons for the appropriations therein and of the sources and**
34 **extent of state income to meet such appropriations, together with such further parts as are**
35 **required by law.**

36 **(g) (7) The term "Budget period" means that period of time for which appropriations are made**
37 **in the budget bill or budget bills.**

38 **(8) "Instrumentality" includes a body corporate and politic that:**

39 **(A) is established to carry out a state governmental purpose; and**

40 **(B) is not specifically exempted from the application of this chapter by a provision in this**
41 **chapter.**

42 SECTION 42. IC 4-12-1-18 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO
43 READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 18. Federal funds received by an**
44 **instrumentality are appropriated for purposes specified by the federal government, subject to**
45 **allotment by the budget agency. The provisions of this chapter and other laws concerning the**
46 **acceptance, disbursement, review, and approval of grants, loans, and gifts made by the federal**
47 **government or any other source to the state or its agencies apply to instrumentalities.**

48 SECTION 43. IC 4-13-1.4-11 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO



1 READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 11. The budget agency may adopt**
2 **policies and procedures for the disposal of surplus property by state agencies under IC 4-20.5-7,**
3 **IC 4-22-2, IC 8-23-7-15, or another law. The policies and procedures may specify the**
4 **circumstances under which and the manner in which property will be offered for sale to another**
5 **governmental entity before offered to the public. A state agency shall comply with the policies**
6 **and procedures adopted under this section.**

7 SECTION 44. IC 4-13-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
8 PASSAGE]: Sec. 1. (a) This chapter may be known and cited as the "Financial Reorganization Act
9 of 1947".

10 (b) The provisions of this chapter ~~shall~~ apply to all agencies of the state.

11 (c) As used in this chapter, the term "agencies of the state", "agency", **"state agency", "state**
12 **agencies",** or "agencies" ~~shall mean and include~~ **includes** every officer, board, commission,
13 department, division, bureau, committee, employee, and other instrumentality of the state, including
14 without limiting the effect of the foregoing, ~~limitation~~ state hospitals, state penal institutions, and
15 other state institution enterprises and activities wherever located, ~~but excepting, except~~ **un-**
16 specifically included:

17 (1) military officers and military and armory boards of the state;

18 (2) ~~the state fair commission,~~ the supreme court and the court of appeals;

19 (3) the legislative department of state government, including but not limited to the senate, the
20 house of representatives, the legislative council, and the legislative services agency; and

21 (4) state colleges and universities supported in whole or in part by state funds;

22 and persons and institutions under their control. ~~and excepting all~~ **The terms do not include** counties,
23 cities, towns, townships, school towns, townships and cities, and other municipal corporations or
24 political subdivisions of the state.

25 ~~(c) (d) As used in this chapter, the term~~ "supplies", "materials", "equipment", and "services
26 ~~used in this chapter shall mean and~~ include any and all articles and things, and all services other than
27 personal, used by, or furnished to, any department or agency of state government, including printing,
28 binding, publication of books and records, repairs and improvements, utility services, and any and all
29 other services required for the maintenance, operation, or upkeep of buildings and offices. The
30 enumeration of the things specified in this section are not exclusive.

31 (e) As used in this chapter, **"instrumentality" includes a body corporate and politic that**

32 (1) **is established to carry out a state governmental purpose; and**

33 (2) **is not specifically exempted from the application of this chapter by a provision in this**
34 **chapter.**

35 SECTION 45. IC 4-13-2-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
36 PASSAGE]: Sec. 1.5. (a) Notwithstanding section 1 of this chapter, the term "agencies of state", "state
37 agency", or "agency", as used in sections 7, 19, 21, and 23 of this chapter, include the judicial and
38 legislative departments of state government.

39 (b) Notwithstanding section 1 of this chapter, section 19 of this chapter applies to the judicial and
40 legislative departments of state government.

41 (c) ~~Notwithstanding section 1 of this chapter, section 5.2 of this chapter applies to a body corporate~~
42 ~~and politic.~~

43 SECTION 46. IC 4-13-2-5.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
44 PASSAGE]: Sec. 5.2. (a) This section applies **only** to a body corporate and politic.

45 (b) Whenever a contract to provide supplies to the body corporate and politic is awarded by
46 competitive sealed bidding, a bid submitted by a trust (as defined in IC 30-4-1-1(a)) must identify
47 each:

48 (1) beneficiary of the trust; and



1 (2) settlor empowered to revoke or modify the trust.

2 SECTION 47. IC 4-20.5-7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
3 PASSAGE]: Sec. 2. The agency head of a transferring agency must do the following:

4 (1) Find that the property is surplus to the needs of the agency.

5 (2) Notify the department that the agency wants to transfer the property.

6 (3) Provide the details of the proposed transfer as required by the department.

7 (4) Request **to the budget agency**, in writing, **approval of that** the governor **to approve the**
8 **transfer of** the property.

9 Subdivisions (1) and (4) do not apply to a lease of state property.

10 SECTION 48. IC 4-20.5-7-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
11 PASSAGE]: Sec. 7. (a) ~~If the commissioner finds that another agency or a state educational institution~~
12 ~~can use the property~~, the **Surplus** property may, **under the policies prescribed by the budget**
13 **agency**, be transferred to ~~the other another~~ agency or ~~the a~~ state educational institution.

14 (b) The **policies of the budget agency must include a requirement that the** agency head of the
15 accepting agency or the state educational institution ~~must~~ do the following:

16 (1) Find that the property is necessary or convenient to the accepting agency's or state educational
17 institution's use or purpose.

18 (2) Request, in writing, approval of the governor to transfer possession of the property from the
19 transferring agency.

20 (c) With the approval of the budget agency, the accepting agency or state educational institution
21 may transfer funds to the transferring agency in consideration of the transfer.

22 (d) The offer to the transferring agency must remain open for thirty (30) days after the offer was
23 made. If an offer has not been rejected or accepted by the agency within thirty (30) days, the
24 department may dispose of the property as otherwise permitted under this chapter.

25 SECTION 49. IC 4-22-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
26 PASSAGE]: Sec. 3. (a) "Agency" means any officer, board, commission, department, division, bureau,
27 committee, or other governmental entity exercising any of the executive (including the administrative)
28 powers of state government. The term does not include the judicial or legislative departments of state
29 government or a political subdivision (as defined in IC 36-1-2-13). **The term includes a body**
30 **corporate and politic that:**

31 (1) **is established to carry out a state governmental purpose; and**

32 (2) **is not specifically exempted from the application of this article by a provision in this**
33 **chapter.**

34 (b) "Rule" means the whole or any part of an agency statement of general applicability that:

35 (1) has or is designed to have the effect of law; and

36 (2) implements, interprets, or prescribes:

37 (A) law or policy; or

38 (B) the organization, procedure, or practice requirements of an agency.

39 (c) "Rulemaking action" means the process of formulating or adopting a rule. The term does not
40 include an agency action.

41 (d) "Agency action" has the meaning set forth in IC 4-21.5-1-4.

42 (e) "Person" means an individual, corporation, limited liability company, partnership,
43 unincorporated association, or governmental entity.

44 (f) "Publisher" refers to the publisher of the Indiana Register and Indiana Administrative Code,
45 which is the legislative council, or the legislative services agency operating under the direction of the
46 council.

47 (g) The definitions in this section apply throughout this article.

48 SECTION 50. IC 5-11-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON



PASSAGE]: Sec. 1. There is established a state board of accounts. The board consists of the state examiner and two (2) deputy examiners as provided in this section. The principal officer of the board is the state examiner, who shall be appointed by the governor and who shall hold office for a term of four (4) years from the date of appointment. The state examiner must be a certified public accountant with at least seven (7) consecutive years of active experience as a field examiner with the state board of accounts that immediately precedes the appointment as state examiner. The governor shall also appoint two (2) deputy examiners, who must have the same qualifications as the state examiner, be of different political parties, and be subordinate to the state examiner. The deputy examiners shall be appointed for terms of four (4) years. The state examiner and the deputy examiners are subject to removal by the governor for incompetency or for misconduct of the office, after a hearing upon due notice and upon stated charges in writing. An appeal may be taken by the officer removed to the circuit or a superior court of Marion County.

SECTION 51. IC 5-11-1-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 1.5. The state instrumentalities and entities to which this chapter applies include a body corporate and politic that:**

(1) is established to carry out a state governmental purpose; and

(2) is not specifically exempted from the application of this chapter by a provision in this chapter.

SECTION 52. IC 5-19-1-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. The following words and phrases, as used in this chapter, shall, for the purposes of this chapter, unless a different meaning appears from the context, have the following meanings:

(a) (1) The singular ~~shall include~~ includes the plural and the plural shall include the singular as requisite.

(b) (2) The term "State" shall mean and include means the state of Indiana, the governor of the state of Indiana, any agency of the state of Indiana designated by the governor to receive federal aid, and any officer, board, bureau, commission, division, or department. The term includes a body corporate and politic that:

(A) is established to carry out a state governmental purpose; and

(B) is not specifically exempted from the application of this chapter by a provision in this chapter.

(3) The term "Governor" shall mean means the governor of the state of Indiana.

(c) (4) The term "Political subdivision" shall mean and include means any county of Indiana, any civil township of Indiana, any civil incorporated city or town of Indiana, any school corporation of any township, city, or town of Indiana, or any other territorial subdivision of the state recognized or designated in any law, any public utility entity not privately owned, any public sewage disposal entity, any public flood control or levee district or entity, any public drainage district or entity, any public sanitary district or entity, and any public improvement district authority or entity authorized to levy taxes or assessments.

SECTION 53. IC 5-22-21-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. **(a) Except as provided in section 7.5 of this chapter, surplus property available for sale shall first may, under the policies prescribed by the budget agency, be offered for sale to all political subdivisions. The policies of the budget agency must require that if the property is in the possession of the Indiana department of transportation and is to be offered to political subdivisions, the commissioner shall notify each supervisor of county highways appointed under IC 8-17-3-1 of the sale.**

(b) Notice of the sale shall be mailed or provided by another means at least fifteen (15) days before the date of the sale to each county auditor and to each political subdivision that has previously requested notice of the sale from the commissioner. Information regarding the sale shall also be made



1 available at any time before the sale to political subdivisions upon request.

2 (c) A political subdivision that wants to purchase the property must deliver a sealed bid to the
3 commissioner before the date of the sale to political subdivisions:

4 (d) The department shall sell the surplus property to the highest responsible governmental bidder.
5 The commissioner shall determine a market price for the surplus property that is stated in the notice
6 of the sale. The department shall sell the surplus property to the highest governmental bidder whose
7 bid equals or exceeds the market price determined by the commissioner.

8 (e) The department shall deliver possession of the surplus property to the governmental bidder after
9 the bidder approves a claim for payment submitted by the department.

10 SECTION 54. IC 5-22-21-7.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
11 PASSAGE]: Sec. 7.5. (a) This section applies to surplus computer hardware that:

12 (1) is not usable by a state agency as determined under section 6 of this chapter; and

13 (2) has market value.

14 (b) As used in this section, "educational entity" refers to the following:

15 (1) A school corporation as defined in IC 36-1-2-17 or nonpublic schools as defined in
16 IC 20-10.1-1-3.

17 (2) The corporation for educational technology described in IC 20-10.1-25.1.

18 (c) As used in this section, "market value" means the value of the property is more than the
19 estimated costs of sale and transportation of the property.

20 (d) Surplus computer hardware available for sale ~~must~~ **may, under the policies prescribed by the**
21 **budget agency**, be offered ~~first~~ to an educational entity. Notice of the sale ~~must~~ be given to the
22 corporation for educational technology and to each school corporation through publication in a
23 publication of the department of education or other appropriate association or department.

24 (e) Sealed bids shall be delivered by educational entities to the office of the commissioner before
25 the date of the sale to educational entities. Surplus personal property shall be sold to the highest
26 responsible bidder as determined by the commissioner. The department shall deliver possession of the
27 surplus property to the successful bidder after the bidder submits an executed purchase order to the
28 department.

29 (f) If the surplus computer hardware:

30 (1) is not sold to an educational entity under this section; and

31 (2) had an original purchase price of more than two thousand five hundred dollars (\$2,500),
32 the property shall be offered for sale to political subdivisions as described in section 7 of this chapter.

33 SECTION 55. IC 6-1.1-19-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]:
34 Sec. 1.5. (a) The following definitions apply throughout this section and
35 IC 21-3-1.7:

36 (1) "Adjustment factor" means the adjustment factor determined by the department of local
37 government finance for a school corporation under IC 6-1.1-34.

38 (2) "Adjusted target property tax rate" means:

39 (A) the school corporation's target general fund property tax rate determined under
40 IC 21-3-1.7-6.8; multiplied by

41 (B) the school corporation's adjustment factor.

42 (3) "Previous year property tax rate" means the school corporation's previous year general fund
43 property tax rate after the reductions cited in IC 21-3-1.7-5(1), IC 21-3-1.7-5(2), and
44 IC 21-3-1.7-5(3).

45 (b) Except as otherwise provided in this chapter, a school corporation may not for a calendar year
46 beginning after ~~December 31, 2004~~, impose a general fund ad valorem property tax levy which
47 exceeds the following:

48 STEP ONE: Determine the result of:



1 (A) the school corporation's adjusted target property tax rate; minus
 2 (B) the school corporation's previous year property tax rate.
 3 STEP TWO: If the school corporation's adjusted target property tax rate:
 4 (A) exceeds the school corporation's previous year property tax rate, perform the calculation
 5 under STEP THREE and not under STEP FOUR;
 6 (B) is less than the school corporation's previous year property tax rate, perform the
 7 calculation under STEP FOUR and not under STEP THREE; or
 8 (C) equals the school corporation's previous year property tax rate, determine the levy
 9 resulting from using the school corporation's adjusted target property tax rate and do not
 10 perform the calculation under STEP THREE or STEP FOUR.
 11 STEP THREE: Determine the levy resulting from using the school corporation's previous year
 12 property tax rate after increasing the rate by the lesser of:
 13 (A) the STEP ONE result; or
 14 (B) five cents (\$0.05).
 15 STEP FOUR: Determine the levy resulting from using the school corporation's previous year
 16 property tax rate after reducing the rate by the lesser of:
 17 (A) the absolute value of the STEP ONE result; or
 18 (B) ~~five~~ **ten** cents (~~\$0.05~~): **(\$0.10)**.
 19 STEP FIVE: Determine the result of:
 20 (A) the STEP TWO (C), STEP THREE, or STEP FOUR result, whichever applies; plus
 21 (B) an amount equal to the annual decrease in federal aid to impacted areas from the year
 22 preceding the ensuing calendar year by three (3) years to the year preceding the ensuing
 23 calendar year by two (2) years.
 24 The maximum levy is to include the portion of any excessive levy and the levy for new facilities.
 25 STEP SIX: Determine the result of:
 26 (A) the STEP FIVE result; plus
 27 (B) the product of:
 28 (i) the weighted average of the amounts determined under ~~IC 21-3-1.7-6.7(c)~~
 29 **IC 21-3-1.7-6.7(c)** STEP ~~NINE~~ **EIGHT** for all charter schools attended by students who
 30 have legal settlement in the school corporation; multiplied by
 31 (ii) thirty-five hundredths (0.35).
 32 In determining the number of students for purposes of this STEP, each kindergarten pupil shall
 33 be counted as one-half (1/2) pupil.
 34 The result determined under this STEP may not be included in the school corporation's adjusted
 35 base levy for the year following the year in which the result applies or in the school corporation's
 36 determination of tuition support.
 37 (c) For purposes of this section, "total assessed value" with respect to a school corporation means
 38 the total assessed value of all taxable property for ad valorem property taxes first due and payable
 39 during that year.
 40 (d) The department of local government finance shall annually establish an assessment ratio and
 41 adjustment factor for each school corporation to be used upon the review and recommendation of the
 42 budget committee. The information compiled, including background documentation, may not be used
 43 in a:
 44 (1) review of an assessment under IC 6-1.1-8, IC 6-1.1-13, IC 6-1.1-14, or IC 6-1.1-15;
 45 (2) petition for a correction of error under IC 6-1.1-15-12; or
 46 (3) petition for refund under IC 6-1.1-26.
 47 (e) All tax rates shall be computed by rounding the rate to the nearest one-hundredth of a cent
 48 (\$0.0001). All tax levies shall be computed by rounding the levy to the nearest dollar amount.

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(f) For the calendar year beginning January 1, 2004, and ending December 31, 2004, a school corporation may impose a general fund ad valorem property tax levy in the amount determined under STEP EIGHT of the following formula:

STEP ONE: Determine the quotient of:

(A) the school corporation's 2003 assessed valuation; divided by

(B) the school corporation's 2002 assessed valuation:

STEP TWO: Determine the greater of zero (0) or the difference between:

(A) the STEP ONE amount; minus

(B) one (1):

STEP THREE: Determine the lesser of eleven-hundredths (0.11) or the product of:

(A) the STEP TWO amount; multiplied by

(B) eleven-hundredths (0.11):

STEP FOUR: Determine the sum of:

(A) the STEP THREE amount; plus

(B) one (1):

STEP FIVE: Determine the product of:

(A) the STEP FOUR amount; multiplied by

(B) the school corporation's general fund ad valorem property tax levy for calendar year 2003:

STEP SIX: Determine the lesser of:

(A) the STEP FIVE amount; or

(B) the levy resulting from using the school corporation's previous year property tax rate and increasing the rate by five cents (\$0.05):

STEP SEVEN: Determine the result of:

(A) the STEP SIX amount; plus

(B) an amount equal to the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years:

The maximum levy is to include the part of any excessive levy and the levy for new facilities:

STEP EIGHT: Determine the result of:

(A) the STEP SEVEN result; plus

(B) the product of:

(i) the weighted average of the amounts determined under IC 21-3-1.7-6.7(c) STEP NINE for all charter schools attended by students who have legal settlement in the school corporation; multiplied by

(ii) thirty-five hundredths (0.35):

In determining the number of students for purposes of this STEP, each kindergarten pupil shall be counted as one-half (1/2) pupil:

The result determined under this STEP may not be included in the school corporation's adjusted base levy for the year following the year in which the result applies or in the school corporation's determination of tuition support:

SECTION 56. IC 6-1.1-20.9-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 2. (a) Except as otherwise provided in section 5 of this chapter, an individual who on March 1 of a particular year either owns or is buying a homestead under a contract that provides the individual is to pay the property taxes on the homestead is entitled each calendar year to a credit against the property taxes which the individual pays on the individual's homestead. However, only one (1) individual may receive a credit under this chapter for a particular homestead in a particular year.

(b) The amount of the credit to which the individual is entitled equals the product of:



(1) the percentage prescribed in subsection (d); multiplied by
(2) the amount of the individual's property tax liability, as that term is defined in IC 6-1.1-21-5,
which is:

(A) attributable to the homestead during the particular calendar year; and

(B) determined after the application of the property tax replacement credit under IC 6-1.1-21.

(c) For purposes of determining that part of an individual's property tax liability that is attributable to the individual's homestead, all deductions from assessed valuation which the individual claims under IC 6-1.1-12 or IC 6-1.1-12.1 for property on which the individual's homestead is located must be applied first against the assessed value of the individual's homestead before those deductions are applied against any other property.

(d) The percentage of the credit referred to in subsection (b)(1) is as follows:

YEAR	PERCENTAGE OF THE CREDIT
1996	8%
1997	6%
1998 through 2002	10%
2003 and thereafter	20%

However, the property tax replacement fund board established under IC 6-1.1-21-10, in its sole discretion, may increase the percentage of the credit provided in the schedule for any year, if the board feels that the property tax replacement fund contains enough money for the resulting increased distribution. If the board increases the percentage of the credit provided in the schedule for any year, the percentage of the credit for the immediately following year is the percentage provided in the schedule for that particular year, unless as provided in this subsection the board in its discretion increases the percentage of the credit provided in the schedule for that particular year. However, The percentage credit allowed in a particular county for a particular year shall be increased if on January 1 of a year an ordinance adopted by a county income tax council was in effect in the county which increased the homestead credit. The amount of the increase equals the amount designated in the ordinance.

(e) Before October 1 of each year, the assessor shall furnish to the county auditor the amount of the assessed valuation of each homestead for which a homestead credit has been properly filed under this chapter.

(f) The county auditor shall apply the credit equally to each installment of taxes that the individual pays for the property.

(g) Notwithstanding the provisions of this chapter, a taxpayer other than an individual is entitled to the credit provided by this chapter if:

(1) an individual uses the residence as the individual's principal place of residence;

(2) the residence is located in Indiana;

(3) the individual has a beneficial interest in the taxpayer;

(4) the taxpayer either owns the residence or is buying it under a contract, recorded in the county recorder's office, that provides that the individual is to pay the property taxes on the residence; and

(5) the residence consists of a single-family dwelling and the real estate, not exceeding one (1) acre, that immediately surrounds that dwelling.

SECTION 57. IC 6-1.1-21-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 2. As used in this chapter:

(a) "Taxpayer" means a person who is liable for taxes on property assessed under this article.

(b) "Taxes" means property taxes payable in respect to property assessed under this article. The term does not include special assessments, penalties, or interest, but does include any special charges



1 which a county treasurer combines with all other taxes in the preparation and delivery of the tax
2 statements required under IC 6-1.1-22-8(a).

3 (c) "Department" means the department of state revenue.

4 (d) "Auditor's abstract" means the annual report prepared by each county auditor which under
5 IC 6-1.1-22-5, is to be filed on or before March 1 of each year with the auditor of state.

6 (e) "Mobile home assessments" means the assessments of mobile homes made under IC 6-1.1-7.

7 (f) "Postabstract adjustments" means adjustments in taxes made subsequent to the filing of an
8 auditor's abstract which change assessments therein or add assessments of omitted property affecting
9 taxes for such assessment year.

10 (g) "Total county tax levy" means the sum of:

11 (1) the remainder of:

12 (A) the aggregate levy of all taxes for all taxing units in a county which are to be paid in the
13 county for a stated assessment year as reflected by the auditor's abstract for the assessment
14 year, adjusted, however, for any postabstract adjustments which change the amount of the
15 aggregate levy; minus

16 (B) the sum of any increases in property tax levies of taxing units of the county that result
17 from appeals described in:

18 (i) IC 6-1.1-18.5-13(4) and IC 6-1.1-18.5-13(5) filed after December 31, 1982; plus

19 (ii) the sum of any increases in property tax levies of taxing units of the county that result
20 from any other appeals described in IC 6-1.1-18.5-13 filed after December 31, 1983; plus

21 (iii) IC 6-1.1-18.6-3 (children in need of services and delinquent children who are wards
22 of the county); minus

23 (C) the total amount of property taxes imposed for the stated assessment year by the taxing
24 units of the county under the authority of IC 12-1-11.5 (repealed), IC 12-2-4.5 (repealed),
25 IC 12-19-5, or IC 12-20-24; minus

26 (D) the total amount of property taxes to be paid during the stated assessment year that
27 be used to pay for interest or principal due on debt that:

28 (i) is entered into after December 31, 1983;

29 (ii) is not debt that is issued under IC 5-1-5 to refund debt incurred before January 1, 1984;
30 and

31 (iii) does not constitute debt entered into for the purpose of building, repairing, or altering
32 school buildings for which the requirements of IC 20-5-52 were satisfied prior to January
33 1, 1984; minus

34 (E) the amount of property taxes imposed in the county for the stated assessment year under
35 the authority of IC 21-2-6 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 for a cumulative
36 building fund whose property tax rate was initially established or reestablished for
37 a stated assessment year that succeeds the 1983 stated assessment year; minus

38 (F) the remainder of:

39 (i) the total property taxes imposed in the county for the stated assessment year under
40 authority of IC 21-2-6 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 for a cumulative
41 building fund whose property tax rate was not initially established or reestablished for a
42 stated assessment year that succeeds the 1983 stated assessment year; minus

43 (ii) the total property taxes imposed in the county for the 1984 stated assessment year under
44 the authority of IC 21-2-6 (repealed) or any citation listed in IC 6-1.1-18.5-9.8 for a
45 cumulative building fund whose property tax rate was not initially established or
46 reestablished for a stated assessment year that succeeds the 1983 stated assessment year;
47 minus

48 (G) the amount of property taxes imposed in the county for the stated assessment year under:



- (i) IC 21-2-15 for a capital projects fund; plus
(ii) IC 6-1.1-19-10 for a racial balance fund; plus
(iii) IC 20-14-13 for a library capital projects fund; plus
(iv) IC 20-5-17.5-3 for an art association fund; plus
(v) IC 21-2-17 for a special education preschool fund; plus
(vi) IC 21-2-11.6 for a referendum tax levy fund; plus
(vii) an appeal filed under IC 6-1.1-19-5.1 for an increase in a school corporation's maximum permissible general fund levy for certain transfer tuition costs; plus
(viii) an appeal filed under IC 6-1.1-19-5.4 for an increase in a school corporation's maximum permissible general fund levy for transportation operating costs; **plus**
(ix) IC 21-2-11.5-3(b)(2) for a school transportation fund, including any increase in that amount in a subsequent year reflected in IC 21-2-11.5-3(b)(1) and attributable to the annual application of the assessed value growth quotient determined under IC 21-2-11.5-3(c) to the amount; minus
(H) the amount of property taxes imposed by a school corporation that is attributable to passage, after 1983, of a referendum for an excessive tax levy under IC 6-1.1-19, including any increases in these property taxes that are attributable to the adjustment set forth in IC 6-1.1-19-1.5 or any other law; minus
(I) for each township in the county, the lesser of:
(i) the sum of the amount determined in IC 6-1.1-18.5-19(a) STEP THREE or IC 6-1.1-18.5-19(b) STEP THREE, whichever is applicable, plus the part, if any, of the township's ad valorem property tax levy for calendar year 1989 that represents increases in that levy that resulted from an appeal described in IC 6-1.1-18.5-13(4) filed after December 31, 1982; or
(ii) the amount of property taxes imposed in the township for the stated assessment year under the authority of IC 36-8-13-4; minus
(J) for each participating unit in a fire protection territory established under IC 36-8-19-1, the amount of property taxes levied by each participating unit under IC 36-8-19-8 and IC 36-8-19-8.5 less the maximum levy limit for each of the participating units that would have otherwise been available for fire protection services under IC 6-1.1-18.5-3 and IC 6-1.1-18.5-19 for that same year; minus
(K) for each county, the sum of:
(i) the amount of property taxes imposed in the county for the repayment of loans under IC 12-19-5-6 (repealed) that is included in the amount determined under IC 12-19-7-4(a) STEP SEVEN **(as in effect January 1, 1995)** for property taxes payable in 1995, or for property taxes payable in each year after 1995, the amount determined under ~~IC 12-19-7-4(b)~~; **IC 12-19-7-4**; and
(ii) the amount of property taxes imposed in the county attributable to appeals **or other levy increase** granted under IC 6-1.1-18.6-3 that is included in the amount determined under IC 12-19-7-4(a) STEP SEVEN **(as in effect January 1, 1995)** for property taxes payable in 1995, or the amount determined under ~~IC 12-19-7-4(b)~~ **IC 12-19-7-4** for property taxes payable in each year after 1995; plus
(2) all taxes to be paid in the county in respect to mobile home assessments currently assessed for the year in which the taxes stated in the abstract are to be paid; plus
(3) the amounts, if any, of county adjusted gross income taxes that were applied by the taxing units in the county as property tax replacement credits to reduce the individual levies of the taxing units for the assessment year, as provided in IC 6-3.5-1.1; plus
(4) the amounts, if any, by which the maximum permissible ad valorem property tax levies of the



taxing units of the county were reduced under IC 6-1.1-18.5-3(b) STEP EIGHT for the stated assessment year; plus

(5) the difference between:

(A) the amount determined in IC 6-1.1-18.5-3(e) STEP FOUR; minus

(B) the amount the civil taxing units' levies were increased because of the reduction in the civil taxing units' base year certified shares under IC 6-1.1-18.5-3(e).

(h) "December settlement sheet" means the certificate of settlement filed by the county auditor with the auditor of state, as required under IC 6-1.1-27-3.

(i) "Tax duplicate" means the roll of property taxes which each county auditor is required to prepare on or before March 1 of each year under IC 6-1.1-22-3.

(j) "Eligible property tax replacement amount" is equal to the sum of the following:

(1) Sixty percent (60%) of the total county tax levy imposed by each school corporation in a county for its general fund for a stated assessment year.

(2) Twenty percent (20%) of the total county tax levy (less sixty percent (60%) of the levy for the general fund of a school corporation that is part of the total county tax levy) imposed on county on real property for a stated assessment year.

(3) Twenty percent (20%) of the total county tax levy (less sixty percent (60%) of the levy for the general fund of a school corporation that is part of the total county tax levy) imposed in a county on tangible personal property, excluding business personal property, for an assessment year.

(k) "Business personal property" means tangible personal property (other than real property) that is being:

(1) held for sale in the ordinary course of a trade or business; or

(2) held, used, or consumed in connection with the production of income.

(l) "Taxpayer's property tax replacement credit amount" means the sum of the following:

(1) Sixty percent (60%) of a taxpayer's tax liability in a calendar year for taxes imposed on a school corporation for its general fund for a stated assessment year.

(2) Twenty percent (20%) of a taxpayer's tax liability for a stated assessment year for a total county tax levy (less sixty percent (60%) of the levy for the general fund of a school corporation that is part of the total county tax levy) on real property.

(3) Twenty percent (20%) of a taxpayer's tax liability for a stated assessment year for a total county tax levy (less sixty percent (60%) of the levy for the general fund of a school corporation that is part of the total county tax levy) on tangible personal property other than business personal property.

(m) "Tax liability" means tax liability as described in section 5 of this chapter.

(n) "General school operating levy" means the ad valorem property tax levy of a school corporation in a county for the school corporation's general fund.

SECTION 58. IC 6-1.1-21-2.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: **Sec. 2.3. (a) As used in this section, "distribution limit" means for credits granted against tax liability first due and payable in:**

(1) **2006, two billion ninety-nine million one hundred nine thousand one hundred ninety-seven dollars (\$2,099,109,197); and**

(2) **2007, two billion one hundred thirty-six million four hundred nine thousand one hundred ninety-seven dollars (\$2,136,409,197).**

(b) Based on the department's final determinations of distribution under sections 4 and 9 of this chapter, the department shall annually certify the following to the department of local government finance for each county:

(1) The final determination of the amount of property tax replacement credits granted



under section 5 of this chapter in the immediately preceding year and the final determination of the distribution made under this chapter to replace revenue lost from the granting of property tax replacement credits.

(2) The final determination of the amount of homestead credits granted under IC 6-1.1-20.9 in the immediately preceding year and the final determination of the distribution made under this chapter to replace revenue lost from the granting of homestead credits.

(3) The amount of additional credits granted under section 5 of this chapter to taxpayers in the taxing units with at least one (1) economic development district that meets the requirements of section 5.5 of this chapter in the immediately preceding year and the final determination of the distribution made under this chapter to replace revenue lost from the granting of additional credits.

The certification for a county must be made before the department of local government finance certifies the budgets, tax rates, and tax levies for the county for the ensuing year under IC 6-1.1-17-16. The certification must be based on the best data available to the department at the time the certification is made and be in the form prescribed by the department of local government finance.

(c) Using the information certified under subsection (b) and any other data available to the department of local government finance, the department of local government finance shall calculate the maximum amount of property tax replacement credits, homestead credits, and additional credits that may be granted in each county in the ensuing year. The maximum amount of property tax credits, homestead credits, and additional credits that may be granted in a county in the ensuing year may not exceed the distribution limit for the ensuing year multiplied by a fraction. The numerator of the fraction is the total number of credits described in subsection (b) that were granted in the county in the immediately preceding year. The denominator of the fraction is the total number of credits described in subsection (b) that were granted in all counties in the immediately preceding year.

(d) If the department of local government finance determines that, without an adjustment under this section, the total amount of property tax replacement credits, homestead credits, and additional credits for which taxpayers in the county would be eligible in the ensuing year will exceed the maximum amount determined for the county under subsection (c), the department of local government finance shall reduce the property tax replacement credit percentages and the additional credit percentages that would otherwise apply in the county. The department of local government finance shall proportionately reduce the percentages used to compute the

(1) property replacement credits granted under section 5(a) of this chapter and described in section 2(l)(2) of this chapter;

(2) property replacement credits granted under section 5(a) of this chapter and described in section 2(l)(3) of this chapter; and

(3) additional credits granted under section 5(d) of this chapter;

in the county in the ensuing year so that the total amount of all property tax replacement credits, homestead credits, and additional credits granted in the county is not likely to exceed the maximum amount determined for the county under subsection (c). If a reduction is required, the percentages described in section 2(l)(2) and 2(l)(3) of this chapter must be reduced by the same reduction percentage in all taxing units in the county. If the department determines that reducing only the credits described in subdivisions (1) through (3) will not result in a total of credits granted in the county that is less than the maximum amount determined for the county under subsection (c), the department shall reduce the amount of property tax credits described in section 2(l)(1) of this chapter as needed to eliminate the excess.

(e) Not later than the date that the department of local government finance certifies budget,



1 tax rates, and tax levies for the political subdivisions in a county under IC 6-1.1-17-16, the
2 department of local government finance shall certify to the county's county auditor and each
3 political subdivision in the county the:

4 (1) property tax replacement credit percentages and additional credit percentages that
5 apply to each taxing district in the county in the ensuing year; and

6 (2) estimated distribution that each political subdivision in the county is estimated to
7 receive to replace revenue lost from the granting of property tax replacement credits,
8 homestead credits, and additional credits in the ensuing year.

9 (f) County auditors and the department shall use the property tax replacement credit
10 percentages and the additional credit percentages certified under subsection (e)(1) in computing
11 property tax replacement credits and additional credits in the ensuing calendar year.

12 SECTION 59. IC 6-1.1-21-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY
13 1, 2006]: Sec. 3. (a) The department, with the assistance of the auditor of state and the department
14 local government finance shall ~~determine~~ **certify to the department** an amount equal to the county's
15 eligible property tax replacement amount **determined after making any required adjustment under**
16 **section 2.3 of this chapter**, which is the estimated property tax replacement.

17 (b) The department of local government finance shall certify to the department the amount of a
18 county's homestead credits ~~provided~~ **determined** under IC 6-1.1-20.9. ~~which are allowed by the~~
19 county for the particular calendar year.

20 (c) ~~If there are one (1) or more taxing districts in the county that contain all or part of an economic~~
21 ~~development district that meets the requirements of section 5-5 of this chapter, the department of local~~
22 ~~government finance shall estimate an additional distribution for the county in the same report required~~
23 ~~under subsection (a): This additional distribution~~ **The department of local government finance shall**
24 **certify to the department an estimate of the amount of a county's additional credits for taxing**
25 **districts containing an economic development district, determined after making any required**
26 **adjustment under section 2.3 of this chapter. The amount of the additional credits, before**
27 **making any required adjustment under section 2.3 of this chapter**, equals the sum of the amounts
28 determined under the following STEPS for all taxing districts in the county that contain all or part of
29 an economic development district:

30 STEP ONE: Estimate that part of the sum of the amounts under section 2(g)(1)(A) and 2(g)(2)
31 of this chapter that is attributable to the taxing district.

32 STEP TWO: Divide:

33 (A) that part of the estimated property tax replacement amount attributable to the taxing
34 district; by

35 (B) the STEP ONE sum.

36 STEP THREE: Multiply:

37 (A) the STEP TWO quotient; ~~times by~~

38 (B) the taxes levied in the taxing district that are allocated to a special fund under
39 IC 6-1.1-39-5.

40 (d) The sum of the amounts determined under subsections (a) through (c) is the particular county's
41 estimated distribution for the calendar year.

42 SECTION 60. IC 6-1.1-21-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY
43 1, 2006]: Sec. 4. (a) Each year the department shall allocate from the property tax replacement fund
44 an amount equal to **the lesser of the distribution limit (as defined in section 2.3 of this chapter)**
45 **for the year or** the sum of:

46 (1) each county's total eligible property tax replacement amount for that year; plus

47 (2) the total amount of homestead tax credits that are provided under IC 6-1.1-20.9 and allowed
48 by each county for that year; plus



(3) an amount for each county that has one (1) or more taxing districts that contain all or part of an economic development district that meets the requirements of section 5.5 of this chapter. This amount is the sum of the amounts determined under the following STEPS for all taxing districts in the county that contain all or part of an economic development district:

STEP ONE: Determine that part of the sum of the amounts under section 2(g)(1)(A) and 2(g)(2) of this chapter that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of the subdivision (1) amount that is attributable to the taxing district; by

(B) the STEP ONE sum.

STEP THREE: Multiply:

(A) the STEP TWO quotient; ~~times by~~

(B) the taxes levied in the taxing district that are allocated to a special fund under IC 6-1.1-39-5.

(b) Except as provided in ~~subsection~~ **subsections (e), (f), (j), and (k)**, between March 1 and August 31 of each year, the department shall distribute to each county treasurer from the property tax replacement fund one-half (1/2) of the estimated distribution for that year for the county. Between September 1 and December 15 of that year, the department shall distribute to each county treasurer from the property tax replacement fund the remaining one-half (1/2) of each estimated distribution for that year. The amount of the distribution for each of these periods shall be according to a schedule determined by the property tax replacement fund board under section 10 of this chapter. The estimated distribution for each county may be adjusted from time to time by the department to reflect any changes in the total county tax levy upon which the estimated distribution is based.

(c) On or before December 31 of each year or as soon thereafter as possible, the department shall make a final determination of the amount which should be distributed from the property tax replacement fund to each county for that calendar year. This determination shall be known as the final determination of distribution. The department shall distribute to the county treasurer or receive back from the county treasurer any deficit or excess, as the case may be, between the sum of the distributions made for that calendar year based on the estimated distribution and the final determination of distribution. The final determination of distribution shall be based on the auditor's abstract filed with the auditor of state, adjusted for postabstract adjustments included in the December settlement sheet for the year, and such additional information as the department may require. **However, the final determination of distribution for a county may not exceed the amount determined for the county under section 2.3(c) of this chapter.**

(d) All distributions provided for in this section shall be made on warrants issued by the auditor of state drawn on the treasurer of state. If the amounts allocated by the department from the property tax replacement fund exceed in the aggregate the balance of money in the fund, then the amount of the deficiency shall be transferred from the state general fund to the property tax replacement fund, and the auditor of state shall issue a warrant to the treasurer of state ordering the payment of that amount. However, any amount transferred under this section from the general fund to the property tax replacement fund shall, as soon as funds are available in the property tax replacement fund, be retransferred from the property tax replacement fund to the state general fund, and the auditor of state shall issue a warrant to the treasurer of state ordering the replacement of that amount.

(e) Except as provided in subsection (i), the department shall not distribute under subsection (b) and section 10 of this chapter the money attributable to the county's property reassessment fund if:

(1) by the date the distribution is scheduled to be made, the county auditor has not sent a certified statement required to be sent by that date under IC 6-1.1-17-1 to the department of local government finance;

(2) by the deadline under IC 36-2-9-20, the county auditor has not transmitted data as required



under that section; or

(3) the county assessor has not forwarded to the department of local government finance the duplicate copies of all approved exemption applications required to be forwarded by that date under IC 6-1.1-11-8(a).

(f) Except as provided in subsection (i), if the elected township assessors in the county, the elected township assessors and the county assessor, or the county assessor has not transmitted to the department of local government finance by October 1 of the year in which the distribution is scheduled to be made the data for all townships in the county required to be transmitted under IC 6-1.1-4-25(b), the state board or the department shall not distribute under subsection (b) and section 10 of this chapter a part of the money attributable to the county's property reassessment fund. The portion not distributed is the amount that bears the same proportion to the total potential distribution as the number of townships in the county for which data was not transmitted by October 1 as described in this section bears to the total number of townships in the county.

(g) Money not distributed for the reasons stated in subsection (e)(1) and (e)(2) shall be distributed to the county when:

(1) the county auditor sends to the department of local government finance the certified statement required to be sent under IC 6-1.1-17-1; and

(2) the county assessor forwards to the department of local government finance the approved exemption applications required to be forwarded under IC 6-1.1-11-8(a);
with respect to which the failure to send or forward resulted in the withholding of the distribution under subsection (e).

(h) Money not distributed under subsection (f) shall be distributed to the county when the elected township assessors in the county, the elected township assessors and the county assessor, or the county assessor transmits to the department of local government finance the data required to be transmitted under IC 6-1.1-4-25(b) with respect to which the failure to transmit resulted in the withholding of the distribution under subsection (f).

(i) The restrictions on distributions under subsections (e), ~~and (f), and (j)~~ do not apply if the department of local government finance determines that:

(1) the failure of:

(A) a county auditor to send a certified statement; or

(B) a county assessor to forward copies of all approved exemption applications;
as described in subsection (e); ~~or~~

(2) the failure of an official to transmit data as described in subsection (f); ~~or~~

(3) the failure of an official to transmit data as required under subsection (j);
is justified by unusual circumstances.

(j) Subject to subsection (i), if the county auditor or another county official fails to provide to the state, on the schedule prescribed by the department of local government finance, the information that is necessary under IC 6-1.1-20.9 or this chapter to fully determine an estimated distribution or a final distribution, or both, under this chapter, as determined by the department of local government finance, the department shall not distribute to the county treasurer under subsection (b) and section 10 of this chapter the entire amount of money attributable to the part of the total county tax levy imposed by the county. A reduction in the distribution to a county treasurer under this subsection reduces the amount distributed to the county that would otherwise be made to replace revenue lost as the result of granting property tax replacement credits and homestead credits. The money not distributed under this subsection shall be distributed to the county treasurer when the information is transmitted to the state, as determined by the department of local government finance.

(k) If a county fails to pay to the treasurer of state before October 1 of a year all accounts



1 forwarded to the county before the immediately preceding August 1 of the year for amounts due
2 under IC 11-10-2-3, the department shall not distribute to the county treasurer in the
3 immediately following November under subsection (b) and section 10 of this chapter an amount
4 equal to the amount due from the county to the treasurer of state. If the amount due to the
5 treasurer of state exceeds the amount that would otherwise be paid to the county treasurer in
6 the November distribution, the department shall not distribute amounts in subsequent
7 distributions until the amount due to the treasurer of state is offset. An amount retained under
8 this subsection shall be treated as payments under IC 4-24-7-4. A reduction in the distribution
9 to a county treasurer under this subsection reduces the amount distributed to taxing units in the
10 county that would otherwise be made to replace revenue lost as the result of granting property
11 tax replacement credits and homestead credits. The amount of the reduction is proportional to
12 the amount that the taxing unit would have received if no reduction had been made. Money
13 retained under this subsection shall be distributed to the county treasurer to the extent that the
14 treasurer of state determines that the county subsequently makes a payment to the treasurer of
15 state that is intended by the county to replace the amount retained.

16 SECTION 61. IC 6-1.1-21-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY
17 1, 2006]: Sec. 5. (a) **Subject to section 2.3 of this chapter**, each year the taxpayers of each county
18 shall receive a credit for property tax replacement in the amount of each taxpayer's property tax
19 replacement credit amount for taxes which:

20 (1) under IC 6-1.1-22-9 are due and payable in May and November of that year; or

21 (2) under IC 6-1.1-22-9.5 are due in installments established by the department of local
22 government finance for that year.

23 The credit shall be applied to each installment of taxes. The dollar amount of the credit for each
24 taxpayer shall be determined by the county auditor, based on data furnished by the department of local
25 government finance.

26 (b) The tax liability of a taxpayer for the purpose of computing the credit for a particular year shall
27 be based upon the taxpayer's tax liability as is evidenced by the tax duplicate for the taxes payable in
28 that year, plus the amount by which the tax payable by the taxpayer had been reduced due to the
29 application of county adjusted gross income tax revenues to the extent the county adjusted gross
30 income tax revenues were included in the determination of the total county tax levy for that year, as
31 provided in sections 2(g) and 3 of this chapter, adjusted, however, for any change in assessed value
32 which may have been made pursuant to a post-abstract adjustment if the change is set forth on the
33 statement or on a corrected tax statement stating the taxpayer's tax liability, as prepared by the county
34 treasurer in accordance with IC 6-1.1-22-8(a). However, except when using the term under section
35 2(l)(1) of this chapter, the tax liability of a taxpayer does not include the amount of any property tax
36 owed by the taxpayer that is attributable to that part of any property tax levy subtracted under section
37 2(g)(1)(B), 2(g)(1)(C), 2(g)(1)(D), 2(g)(1)(E), 2(g)(1)(F), 2(g)(1)(G), 2(g)(1)(H), 2(g)(1)(I), 2(g)(1)(J),
38 or 2(g)(1)(K) of this chapter in computing the total county tax levy.

39 (c) The credit for taxes payable in a particular year with respect to mobile homes which are
40 assessed under IC 6-1.1-7 is equivalent to the taxpayer's property tax replacement credit amount for
41 the taxes payable with respect to the assessments plus the adjustments stated in this section.

42 (d) Each taxpayer in a taxing district that contains all or part of an economic development district
43 that meets the requirements of section 5.5 of this chapter is entitled to an additional credit for property
44 tax replacement. **Subject to section 2.3 of this chapter**, this credit is equal to the product of:

45 (1) the STEP TWO quotient determined under section 4(a)(3) of this chapter for the taxing
46 district; multiplied by

47 (2) the taxpayer's taxes levied in the taxing district that are allocated to a special fund under
48 IC 6-1.1-39-5.



1 SECTION 62. IC 6-1.1-21-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY
2 1, 2006]: Sec. 9. (a) **Subject to any adjustment made under section 2.3 of this chapter**, on or before
3 October 15 of each year, each county auditor shall make a settlement with the department as to the
4 aggregate amount of property tax replacement credits extended to taxpayers in the auditor's county
5 during the first eight (8) months of that same year. **Subject to any adjustment made under section**
6 **2.3 of this chapter**, on or before December 31 of each year, each county auditor shall make a
7 settlement with the department along with the filing of the county auditor's December settlement as
8 to the aggregate amount of property tax replacement credits extended to taxpayers in the auditor's
9 county during the last four (4) months of that same year. If the aggregate credits allowed during either
10 period exceed the property tax replacement funds allocated and distributed to the county treasurer for
11 that same period, as provided in sections 4 and 5 of this chapter, then the department shall certify the
12 amount of the excess to the auditor of state who shall issue a warrant, payable from the property tax
13 replacement fund, to the treasurer of the state ordering the payment of the excess to the county
14 treasurer. If the distribution exceeds the aggregate credits, the county treasurer shall repay to the
15 treasurer of the state the amount of the excess, which shall be redeposited in the property
16 replacement fund.

17 (b) In making the settlement required by subsection (a), the county auditor shall recognize the fact
18 that any loss of revenue resulting from the provision of homestead credits in excess of the percentage
19 credit allowed in IC 6-1.1-20.9-2(d) must be paid from county option income revenues.

20 (c) Except as otherwise provided in this chapter, the state board of accounts with the cooperation
21 of the department shall prescribe the accounting forms, records, and procedures required to carry out
22 the provisions of this chapter.

23 SECTION 63. IC 6-1.1-30-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
24 PASSAGE]: Sec. 7. The commissioner ~~shall~~ **may** appoint an individual to serve as deputy
25 commissioner of the department of local government finance. However, the appointment must be
26 approved by the governor. ~~The~~ **A** deputy commissioner shall subscribe to an oath to faithfully
27 discharge the duties assigned to the deputy commissioner either by law or by the commissioner.

28 SECTION 64. IC 8-23-7-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
29 PASSAGE]: Sec. 13. If the department determines that real property owned in fee simple by the
30 department will not be needed for a purpose described in section 2 of this chapter, the commissioner
31 may, **with the approval of the budget agency**, issue an order describing the surplus property and
32 offering the surplus property for sale at or above its fair market value as determined by appraisers
33 to the department. The department may combine or divide parcels of surplus property to facilitate the sale
34 of the property.

35 SECTION 65. IC 8-23-7-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
36 PASSAGE]: Sec. 14. If a property found to be surplus under section 13 of this chapter abuts a parcel
37 of land from which the surplus property was separated and acquired by the department, the ~~surplus~~
38 ~~property must first be offered~~ **department may offer the surplus property** for sale to the owner of
39 the abutting property, **under the policies and procedures prescribed by the budget agency**. An offer
40 under this section shall be made by certified mail to the last known address of the owner. If the owner
41 accepts an offer under this section, the surplus property shall be conveyed to the owner by quitclaim
42 deed upon payment to the department of not less than the fair market value of the property as
43 determined by the appraisers of the department.

44 SECTION 66. IC 8-23-7-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
45 PASSAGE]: Sec. 15. (a) If ~~an owner offered~~ surplus property **is offered for sale to an adjacent**
46 **owner** under section 14 of this chapter, ~~fails to accept the offer within the owner has~~ **thirty (30) days**
47 **to accept the offer.**

48 (b) The department may furnish a certified copy of:



- 1 (1) the order issued under section 13 of this chapter; and
2 (2) the appraised value of ~~the~~ surplus property **for which an offer described in subsection (a)**
3 **is not outstanding;**

4 to the department of administration. ~~(b)~~ **With the approval of the budget agency**, the surplus
5 property may be sold in the same manner as other real property belonging to the state is sold at no less
6 than its appraised value. The proceeds of the sale shall be credited to the department. A sale under this
7 section is subject to the approval of the governor.

8 SECTION 67. IC 14-10-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
9 PASSAGE]: Sec. 1. The commission may do the following:

10 (1) Take the action that is necessary to enable the state to participate in the programs set forth in
11 16 U.S.C. 470 et seq.

12 (2) Promulgate and maintain a state register of districts, sites, buildings, structures, and objects
13 significant in American or Indiana history, architecture, archeology, and culture and expend
14 money for the purpose of preparing comprehensive statewide historic surveys and plans in
15 accordance with criteria established by the commission, that comply with the standards
16 regulations promulgated by the United States Secretary of the Interior for the preservation,
17 acquisition, and development of the properties.

18 (3) Establish in accordance with criteria established by the United States Secretary of the Interior
19 a program of matching grants-in-aid to public agencies for projects having as their purpose the
20 preservation for public benefit of properties that are significant in American or Indiana history,
21 architecture, archeology, and culture.

22 (4) Accept grants from public and private sources, including those provided under 16 U.S.C. 470
23 et seq.

24 **(5) Establish fees for the following:**

25 **(A) Programs of the department or the commission.**

26 **(B) Facilities owned or operated by the department or the commission or a lessee of the**
27 **department or commission.**

28 **(C) Licenses issued by the commission, the department, or the director.**

29 **(D) Inspections or other similar services under this title performed by the department**
30 **or an assistant or employee of the department.**

31 **(6) Adopt rules under IC 4-22-2 for the establishment of fees under subdivision (5).**

32 SECTION 68. IC 14-11-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
33 PASSAGE]: Sec. 1. **(a)** The department may adopt rules under IC 4-22-2 for the conduct of the
34 following:

35 (1) Department meetings.

36 (2) Upon the recommendation of the director, the work of the department and the divisions.

37 **(b) The department may not adopt rules under IC 4-22-2 for the establishment of fees for the**
38 **following:**

39 **(1) Programs of the department or the commission.**

40 **(2) Facilities owned or operated by the department or the commission or a lessee of the**
41 **department or commission.**

42 **(3) Licenses issued by the commission, the department, or the director.**

43 **(4) Inspections or other similar services under this title performed by the department or**
44 **an assistant or employee of the department.**

45 SECTION 69. IC 14-16-1-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
46 PASSAGE]: Sec. 14. (a) The owner of a vehicle required to be registered under this chapter shall
47 notify the department within fifteen (15) days if any of the following conditions exist:

48 (1) The vehicle is destroyed or abandoned.



(2) The vehicle is sold or an interest in the vehicle is transferred wholly or in part to another person.

(3) The owner's address no longer conforms to the address appearing on the certificate of registration.

(b) The notice must consist of a surrender of the certificate of registration on which the proper information shall be noted on a place to be provided.

(c) If the surrender of the certificate is required because the vehicle is destroyed or abandoned, the department shall cancel the certificate and enter that fact in the records. The number then may be reassigned.

(d) If the surrender is required because of a change of address on the part of the owner, the department shall record the new address. Upon payment of a fee established by the ~~department~~, **commission**, a certificate of registration bearing the new information shall be returned to the owner.

(e) The transferee of a vehicle registered under this chapter shall, within fifteen (15) days after acquiring the vehicle, make application to the department for transfer to the transferee of the certificate of registration issued to the vehicle. The transferee shall provide the transferee's name and address, the number of the vehicle and pay to the department a fee established by the department. Upon receipt of the application and fee, the department shall transfer the certificate of registration issued for the vehicle to the new owner. Unless the application is made and the fee paid within fifteen (15) days, the vehicle is considered to be without a certificate of registration and a person may not operate the vehicle until a certificate is issued.

SECTION 70. IC 14-16-1-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 15. If a certificate of registration is lost, mutilated, or illegible, the owner of the vehicle may obtain a duplicate of the certificate upon application and payment of a fee established by the ~~department~~, **commission**.

SECTION 71. IC 14-16-1-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) A dealer or manufacturer may obtain certificates of registration for use in the testing or demonstrating of vehicles upon the following:

(1) Application to the department upon forms provided by the department.

(2) Payment of a fee established by the department for each of the first two (2) registration certificates. Additional certificates that the dealer requires may be issued for a fee established by the ~~department~~, **commission**.

(b) An applicant may use a certificate issued under this section only in the testing or demonstrating of vehicles by temporary placement of the numbers on the vehicle being tested or demonstrated. A certificate issued under this section may be used on only one (1) vehicle at any given time. The temporary placement of numbers must conform to the requirements of this chapter or rules adopted under this chapter.

(c) A certificate issued under this section is valid for three (3) years.

SECTION 72. IC 14-19-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The department may do the following:

(1) Make available to the public under rules adopted by the department public parks and other suitable places for recreation, conservation, and management of natural and cultural resources. The rules may include a procedure for the establishment of a schedule of admission fees and service charges **adopted by the commission** for the parks and other places of recreation.

(2) Construct, rent, lease, license, or operate public service privileges and facilities in a state park. An agreement may not be made to rent, lease, or license a public service privilege or facility in a state park for longer than four (4) years, except as provided in section 3 of this chapter.

(3) Acquire other suitable land or park property within Indiana that is entrusted, donated, or devised to Indiana by the United States or by a county, a city, a town, a private corporation, or



an individual for the purpose of public recreation or for the preservation of natural beauty or natural features possessing historic value.

SECTION 73. IC 20-5.5-1-1.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1.3. "ADM of the previous year" or "ADM of the prior year" has the meaning set forth in ~~IC 21-3-1.6-1.1(m)~~. **IC 21-3-1.6-1.1.**

SECTION 74. IC 20-5.5-1-5.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5.5. "Current ADM" has the meaning set forth in ~~IC 21-3-1.6-1.1(n)~~. **IC 21-3-1.6-1.1.**

SECTION 75. IC 20-8.1-6.1-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 8. (a) As used in this section, the following terms have the following meanings:

(1) "Class of school" refers to a classification of each school or program in the transferee corporation by the grades or special programs taught at the school. Generally, the classifications are denominated as kindergarten, elementary school, middle school or junior high school, high school, and special schools or classes, such as schools or classes for special education, vocational training, or career education.

(2) "ADM" means the following:

(A) For purposes of allocating to a transfer student state distributions under IC 21-1-30 (primetime), "ADM" as computed under IC 21-1-30-2.

(B) For all other purposes, "ADM" as set forth in IC 21-3-1.6-1.1.

(3) "Pupil enrollment" means the following:

(A) The total number of students in kindergarten through grade 12 who are enrolled in a transferee school corporation on a date determined by the Indiana state board of education.

(B) The total number of students enrolled in a class of school in a transferee school corporation on a date determined by the Indiana state board of education.

However, a kindergarten student shall be counted under clauses (A) and (B) as one-half (1/2) of a student.

(4) "Special equipment" means equipment that during a school year:

(A) is used only when a child with disabilities is attending school;

(B) is not used to transport a child to or from a place where the child is attending school;

(C) is necessary for the education of each child with disabilities that uses the equipment as determined under the individualized instruction program for the child; and

(D) is not used for or by any child who is not a child with disabilities.

The Indiana state board of education may select a different date for counts under subdivision (3). However, the same date shall be used for all school corporations making a count for the same class of school.

(b) Each transferee corporation is entitled to receive for each school year on account of each transferred student, except a student transferred under section 3 of this chapter, transfer tuition from the transferor corporation or the state as provided in this chapter. Transfer tuition equals the amount determined under STEP THREE of the following formula:

STEP ONE: Allocate to each transfer student the capital expenditures for any special equipment used by the transfer student and a proportionate share of the operating costs incurred by the transferee school for the class of school where the transfer student is enrolled.

STEP TWO: If the transferee school included the transfer student in the transferee school's ADM for a school year, allocate to the transfer student a proportionate share of the following general fund revenues of the transferee school for, except as provided in clause (C), the calendar year in which the school year ends:

(A) The following state distributions that are computed in any part using ADM or other pupil



count in which the student is included:

- (i) Primetime grant under IC 21-1-30.
- (ii) Tuition support for basic programs. ~~and at-risk weights under IC 21-3-1.7-8 (before January 1, 1996) and only for basic programs (after December 31, 1995).~~
- (iii) Enrollment growth grant under IC 21-3-1.7-9.5 **before 2006.**
- (iv) ~~At-risk grant under IC 21-3-1.7-9.7.~~
- (v) ~~(iv)~~ Academic honors diploma award under IC 21-3-1.7-9.8.
- (vi) ~~(v)~~ Vocational education grant under IC 21-3-12.
- (vii) ~~(vi)~~ Special education grant under IC 21-3-2.1.
- (viii) ~~The portion of the ADA flat grant that is available for the payment of general operating expenses under IC 21-3-4.5-2(b)(1).~~

(B) For school years beginning after June 30, 1997, Property tax levies.

(C) For school years beginning after June 30, 1997, Excise tax revenue (as defined in IC 21-3-1.7-2) received for deposit in the calendar year in which the school year begins.

(D) For school years beginning after June 30, 1997, Allocations to the transferee school under IC 6-3.5.

STEP THREE: Determine the greater of:

- (A) zero (0); or
- (B) the result of subtracting the STEP TWO amount from the STEP ONE amount.

If a child is placed in an institution or facility in Indiana under a court order, the institution or facility shall charge the county office of the county of the student's legal settlement under IC 12-19-7 for the use of the space within the institution or facility (commonly called capital costs) that is used to provide educational services to the child based upon a prorated per student cost.

(c) Operating costs shall be determined for each class of school where a transfer student is enrolled. The operating cost for each class of school is based on the total expenditures of the transfer corporation for the class of school from its general fund expenditures as specified in the classified budget forms prescribed by the state board of accounts. This calculation excludes:

- (1) capital outlay;
- (2) debt service;
- (3) costs of transportation;
- (4) salaries of board members;
- (5) contracted service for legal expenses; and
- (6) any expenditure which is made out of the general fund from extracurricular account receipts; for the school year.

(d) The capital cost of special equipment for a school year is equal to:

- (1) the cost of the special equipment; divided by
- (2) the product of:
 - (A) the useful life of the special equipment, as determined under the rules adopted by the Indiana state board of education; multiplied by
 - (B) the number of students using the special equipment during at least part of the school year.

(e) When an item of expense or cost described in subsection (c) cannot be allocated to a class of school, it shall be prorated to all classes of schools on the basis of the pupil enrollment of each class in the transferee corporation compared to the total pupil enrollment in the school corporation.

(f) Operating costs shall be allocated to a transfer student for each school year by dividing:

- (1) the transferee school corporation's operating costs for the class of school in which the transfer student is enrolled; by
- (2) the pupil enrollment of the class of school in which the transfer student is enrolled.

When a transferred student is enrolled in a transferee corporation for less than the full school year of



pupil attendance, the transfer tuition shall be calculated by the portion of the school year for which the transferred student is enrolled. A school year of pupil attendance consists of the number of days school is in session for pupil attendance. A student, regardless of the student's attendance, is enrolled in a transferee school unless the student is no longer entitled to be transferred because of a change of residence, the student has been excluded or expelled from school for the balance of the school year or for an indefinite period, or the student has been confirmed to have withdrawn from school. The transferor and the transferee corporation may enter into written agreements concerning the amount of transfer tuition due in any school year. Where an agreement cannot be reached, the amount shall be determined by the Indiana state board of education, and costs may be established, when in dispute, by the state board of accounts.

(g) A transferee school shall allocate revenues described in subsection (b) STEP TWO to a transfer student by dividing:

(1) the total amount of revenues received; by

(2) the ADM of the transferee school for the school year that ends in the calendar year in which the revenues are received.

However, for state distributions under IC 21-1-30, IC 21-3-2.1, IC 21-3-12, or any other statute that computes the amount of a state distribution using less than the total ADM of the transferee school, the transferee school shall allocate the revenues to the transfer student by dividing the revenues that the transferee school is eligible to receive in a calendar year by the pupil count used to compute the state distribution.

(h) In lieu of the payments provided in subsection (b), the transferor corporation or state owning transfer tuition may enter into a long term contract with the transferee corporation governing the transfer of students. This contract is for a maximum period of five (5) years with an option to renew, and may specify a maximum number of pupils to be transferred and fix a method for determining the amount of transfer tuition and the time of payment, which may be different from that provided in section 9 of this chapter.

(i) If the school corporation can meet the requirements of ~~IC 21-1-30-5~~; **IC 21-1-30-5.5**, it may negotiate transfer tuition agreements with a neighboring school corporation that can accommodate additional students. Agreements under this section may be for one (1) year or longer and may fix a method for determining the amount of transfer tuition or time of payment that is different from the method, amount, or time of payment that is provided in this section or section 9 of this chapter. A school corporation may not transfer a student under this section without the prior approval of the child's parent or guardian.

(j) If a school corporation experiences a net financial impact with regard to transfer tuition that is negative for a particular school year as described in IC 6-1.1-19-5.1, the school corporation may appeal for an excessive levy as provided under IC 6-1.1-19-5.1.

SECTION 76. IC 20-12-0.5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. The commission shall have the following powers and duties:

(1) To develop, continually keep current, and implement a long range plan for postsecondary education. In developing this plan, the commission shall take into account the plans and interests of the state private institutions, anticipated enrollments in state postsecondary institutions, financial needs of students, and other factors pertinent to the quality of educational opportunity available to the citizens of Indiana. The plan shall define the educational missions and the projected enrollments of the various state educational institutions.

(2) To consult with and make recommendations to the commission on vocational and technical education within the department of workforce development on all postsecondary vocational education programs. The commission shall biennially prepare a plan for implementing postsecondary vocational education programming after considering the long range state plan



1 developed under IC 20-1-18.3-10. The commission shall submit this plan to the commission on
2 vocational and technical education within the department of workforce development for its
3 review and recommendations, and shall specifically report on how the plan addresses preparation
4 for employment.

5 (3) To make recommendations to the general assembly and the governor concerning the long
6 range plan, and prepare to submit drafts and proposed legislation needed to implement the plan.
7 The commission may also make recommendations to the general assembly concerning the plan
8 for postsecondary vocational education under subdivision (2).

9 (4) To review the legislative request budgets of all state educational institutions preceding each
10 session of the general assembly and to make recommendations concerning appropriations and
11 bonding authorizations to state educational institutions including public funds for financial aid
12 to students by any state agency. The commission may review all programs of any state
13 educational institution, regardless of the source of funding, and may make recommendations
14 the governing board of the institution, the governor, and the general assembly concerning the
15 funding and the disposition of the programs. In making this review, the commission may request
16 and shall receive, in such form as may reasonably be required, from all state educational
17 institutions, complete information concerning all receipts and all expenditures.

18 (5) To submit to the commission on vocational and technical education within the department of
19 workforce development for its review under IC 20-1-18.3-15 the legislative budget requests
20 prepared by state educational institutions for state and federal funds for vocational education.
21 These budget requests shall be prepared upon request of the budget director, shall cover a
22 period determined by the budget director, and shall be made available to the commission within
23 the department of workforce development before review by the budget committee.

24 (6) To make, or cause to be made, studies of the needs for various types of postsecondary
25 education and to make recommendations to the general assembly and the governor concerning
26 the organization of these programs. The commission shall make or cause to be made studies of
27 the needs for various types of postsecondary vocational education and shall submit to the
28 commission on vocational and technical education within the department of workforce
29 development the commission's findings in this regard.

30 (7) To approve or disapprove the establishment of any new branches, regional or other campuses,
31 or extension centers or of any new college or school, or the offering on any campus of any
32 additional associate, baccalaureate, or graduate degree, or of any additional program of two
33 semesters, or their equivalent in duration, leading to a certificate or other indication of
34 accomplishment. After March 29, 1971, no state educational institution shall establish any new
35 branch, regional campus, or extension center or any new or additional academic college, or
36 school, or offer any new degree or certificate as defined in this subdivision without the approval
37 of the commission or without specific authorization by the general assembly. Any state
38 educational institution may enter into contractual agreements with governmental units or with
39 business and industry for specific programs to be wholly supported by the governmental unit or
40 business and industry without the approval of the commission.

41 (8) If so designated by the governor or the general assembly, to serve as the agency for the
42 purposes of receiving or administering funds available for postsecondary education programs,
43 projects, and facilities for any of the acts of the United States Congress where the acts of
44 Congress require the state to designate such an agency or commission. However, this subdivision
45 does not provide for the designation of the commission by the governor as the recipient of funds
46 which may be provided by acts of the United States Congress, received by an agency, a board,
47 or a commission designated by the general assembly.

48 (9) To designate and employ an executive officer and necessary employees, to designate the titles



of the executive officer and necessary employees, and to fix the compensation in terms of the employment.

(10) To appoint appropriate advisory committees composed of representatives of state educational institutions, representatives of private colleges and universities, students, faculty, and other qualified persons.

(11) To employ all powers properly incident to or connected with any of the foregoing purposes, powers, or duties, including the power to adopt rules.

(12) To develop a definition for and report biennially to the:

(A) general assembly;

(B) governor; and

(C) commission on vocational and technical education within the department of workforce development;

on attrition and persistence rates by students enrolled in state vocational education. A report under this subdivision to the general assembly must be in an electronic format under IC 5-1-16.

(13) To submit a report to the legislative council not later than August 30 of each year on the status of the transfer of courses and programs between state educational institutions. The report must include any changes made during the immediately preceding academic year.

(14) To direct the activities of the committee, including the activities set forth in subdivisions (15) and (16).

(15) To develop through the committee statewide transfer of credit agreements for courses that are most frequently taken by undergraduates.

(16) To develop through the committee statewide agreements under which associate of arts and associate of science programs articulate fully with related baccalaureate degree programs.

(17) To publicize by all appropriate means, including an Internet web site, a master list of course transfer of credit agreements and program articulation agreements.

(18) To establish, with the assistance of the committee, a statewide core transfer library of at least seventy (70) courses that have transfer equivalents on all campuses of the state educational institutions in accordance with the principles in section 13 of this chapter.

(19) To establish, with the assistance of the committee, at least twelve (12) degree programs:

(A) for which articulation agreements apply to any campus in the Ivy Tech State College system and to Vincennes University; and

(B) that draw from liberal arts and the technical, professional, and occupational fields.

SECTION 77. IC 20-12-0.5-13 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. (a) The commission shall exercise its powers and duties under section 8 of this chapter in a manner to facilitate the use of:

(1) the core transfer library established under section 8(18) of this chapter at state educational institutions; and

(2) at least twelve (12) degree programs established under section 8(19) of this chapter at Ivy Tech State College and Vincennes University.

(b) The core transfer library developed under section 8(18) of this chapter shall be developed in accordance with the following principles:

(1) Each course in the core transfer library must transfer in and apply toward meeting degree requirements in the same way as the receiving state educational institution's equivalent course.

(2) Courses in the core transfer library must draw primarily from the liberal arts but must include introductory or foundational courses in technical, professional, and occupational fields.

(3) At least seventy (70) courses must be identified for inclusion in the core transfer library.



The identified courses must be the courses most frequently taken by undergraduates.

(4) With respect to core transfer library courses being transferred from a state educational institution to Indiana University or Purdue University, Indiana University and Purdue University must identify transfer equivalents on a system wide basis so that a course accepted by one (1) regional campus will be accepted by all other regional campuses.

(5) Within the Indiana University system and the Purdue University system, courses with the same course number and title must count in the same way at all campuses within the system.

(c) For purposes of section 8 of this chapter and this section, liberal arts include the following:

(1) Arts.

(2) Behavioral sciences.

(3) Humanities.

(4) Life sciences.

(5) Physical sciences.

(6) Social sciences.

(d) For purposes of section 8 of this chapter and this section, technical, professional, and occupational fields include the following:

(1) Automated manufacturing.

(2) Business administration.

(3) Computer sciences.

(4) Early childhood education.

(5) Electronics technology.

(6) Nursing.

(e) The commission shall adopt rules under IC 4-22-2 and prescribe procedures to facilitate the use of the core transfer library and at least twelve (12) degree programs established under section 8(18) and 8(19) of this chapter.

SECTION 78. IC 20-12-23-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The board of trustees of the state university shall be nine (9) in number.

(b) This subsection does not apply to the student trustee appointed under IC 20-12-24-3.5. Not more than:

(1) one (1) of the trustees elected under IC 20-12-24-2; and

(2) two (2) of the trustees appointed under IC 20-12-24-3;

may reside in the same county.

(c) The trustees and their successors shall be a body politic, with the style of "The Trustees of Indiana University"; in that name to sue and be sued; to elect one (1) of their number president; to elect a treasurer, secretary, and such other officers as they may deem necessary, to prescribe the duties and fix the compensation of such officers; to possess all the real and personal property of such university for its benefit; to take and hold, in their corporate name any real or personal property for the benefit of such institution; to expend the income of the university for its benefit; to declare vacant the seat of any trustee who shall absent himself from two (2) successive meetings of the board, or be guilty of any gross immorality or breach of the bylaws of the institution; to elect a president, such professors and other officers for such university as shall be necessary, and prescribe their duties and salaries; to employ other persons as necessary; to establish programs of fringe benefits and retirement benefits for the university's officers, faculty, and other employees that may be supplemental to or in lieu of state retirement programs established by statute for public employees; to prescribe the course of study and discipline and, **subject to section 2.5 of this chapter**, the price of tuition in such university; and to make all bylaws necessary to carry into effect the powers hereby conferred.

SECTION 79. IC 20-12-23-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO

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1 READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 2.5. Beginning with the 2006-2007**
2 **academic year, in setting tuition prices under section 2 of this chapter, the board of trustees:**

3 (1) **must offer to resident undergraduate students in the first year they enroll in the**
4 **institution a guaranteed price option for tuition under which tuition cannot be increased**
5 **during the number of academic years specified under IC 20-12-76, beginning with the**
6 **academic year in which the student first enrolls in the institution; and**

7 (2) **may offer to nonresident undergraduate students in the first year they enroll in the**
8 **institution a guaranteed price option for tuition under which tuition cannot be increased**
9 **during the number of academic years specified under IC 20-12-76, beginning with the**
10 **academic year in which the student first enrolls in the institution.**

11 **The guaranteed price option must be calculated and offered in the manner provided in**
12 **IC 20-12-76.**

13 SECTION 80. IC 20-12-36-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
14 2005]: Sec. 4. From and after the date of the location made as aforesaid, the corporate name of the
15 trustees of the Indiana Agricultural College shall be "The Trustees of Purdue University"; and they
16 shall take in charge, have, hold, possess and manage, all and singular, the property and money
17 comprehended in said donations, as also the fund derived from the sale of the land scrip donated under
18 said act of Congress, and the increase thereof, and all money or other property which may hereafter
19 at any time be donated to and for the use of said institution. They shall also have power to organize
20 said university in conformity with the purposes set forth in said act of Congress, holding their meetings
21 at such times and places as they may agree on, a majority of their number constituting a quorum. They
22 shall provide a seal; have power to elect all professors and teachers, removable at their pleasure; fix
23 and regulate compensations, including programs of fringe benefits and retirement benefits that may
24 be supplemental to or in lieu of state retirement programs established by statute for public employees;
25 do all acts necessary and expedient to put and keep said university in operation; and make all bylaws,
26 rules, and regulations required or proper to conduct and manage the same; **and, subject to section 5**
27 **of this chapter, set tuition rates for students of the university.**

28 SECTION 81. IC 20-12-36-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO
29 READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: **Sec. 4.5. Beginning with the 2006-2007**
30 **academic year, in setting tuition rates under section 4 of this chapter, the board of trustees:**

31 (1) **must offer to resident undergraduate students in the first year they enroll in the**
32 **institution a guaranteed price option for tuition under which tuition cannot be increased**
33 **during the number of academic years specified under IC 20-12-76, beginning with the**
34 **academic year in which the student first enrolls in the institution; and**

35 (2) **may offer to nonresident undergraduate students in the first year they enroll in the**
36 **institution a guaranteed price option for tuition under which tuition cannot be increased**
37 **during the number of academic years specified under IC 20-12-76, beginning with the**
38 **academic year in which the student first enrolls in the institution.**

39 **The guaranteed price option must be calculated and offered in the manner provided in**
40 **IC 20-12-76.**

41 SECTION 82. IC 20-12-56-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
42 2005]: Sec. 5. (a) All powers, rights, privileges, duties, and obligations, statutory, contractual, or of
43 whatever kind, conferred by law upon the State Teachers College board or Indiana State College board
44 for the operation, maintenance, and financing of Indiana State University and its properties and
45 facilities, or otherwise pertaining thereto, are hereby transferred and shall apply to the Indiana State
46 University board of trustees created by this chapter and shall remain in full force and unchanged,
47 notwithstanding the change of name of said college.

48 (b) All laws of a general nature referring to Indiana State Normal School, the board of trustees of



1 Indiana State Normal School, Indiana State Teachers College, the State Teachers College Board,
2 Indiana State College, the Indiana State College board, and to any public state normal school of the
3 state apply to Indiana State University and the Indiana State University board of trustees with equal
4 force and effect.

5 **(c) Beginning with the 2006-2007 academic year, in setting tuition rates, the board of trustees:**

6 **(1) must offer to resident undergraduate students in the first year they enroll in the**
7 **institution a guaranteed price option for tuition under which tuition cannot be increased**
8 **during the number of academic years specified under IC 20-12-76, beginning with the**
9 **academic year in which the student first enrolls in the institution; and**

10 **(2) may offer to nonresident undergraduate students in the first year they enroll in the**
11 **institution a guaranteed price option for tuition under which tuition cannot be increased**
12 **during the number of academic years specified under IC 20-12-76, beginning with the**
13 **academic year in which the student first enrolls in the institution.**

14 **The guaranteed price option must be calculated and offered in the manner provided in**
15 **IC 20-12-76.**

16 SECTION 83. IC 20-12-57.5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY
17 1, 2005]: Sec. 11. ~~(Board: Body Corporate; Powers)~~ **(a)** The board of trustees shall constitute a
18 perpetual body corporate with power to:

19 ~~(a)~~ **(1)** manage, control, and operate Ball State University;

20 ~~(b)~~ **(2)** sue and be sued;

21 ~~(c)~~ **(3)** let contracts;

22 ~~(d)~~ **(4)** borrow money and issue bonds as authorized by the ~~Indiana~~ general assembly;

23 ~~(e)~~ **(5)** prescribe conditions for admission;

24 ~~(f)~~ **(6)** grant degrees and issue diplomas or certificates;

25 ~~(g)~~ **(7)** fix laboratory, contingent, and other fees and charges;

26 ~~(h)~~ **(8)** set fines and penalties;

27 ~~(i)~~ **(9)** define the duties and provide compensation for faculty and staff of the university,
28 including authority to establish fringe benefit programs, including retirement benefits which may
29 be supplemental to, or in lieu of, state retirement programs for teachers or other public employees
30 as authorized by law;

31 ~~(j)~~ **(10)** receive and administer all donations, bequests, grants, funds, and property which are
32 given to or provided for the university;

33 ~~(k)~~ **(11)** promulgate rules and regulations pursuant to this chapter;

34 ~~(l)~~ **(12)** exercise all powers, rights, privileges, and duties conferred upon the board by other laws
35 of the general assembly; and

36 ~~(m)~~ **(13)** possess all other power in order to efficiently operate the affairs of Ball State
37 University.

38 **(b) Beginning with the 2006-2007 academic year, in setting tuition rates, the board of trustees:**

39 **(1) must offer to resident undergraduate students in the first year they enroll in the**
40 **institution a guaranteed price option for tuition under which tuition cannot be increased**
41 **during the number of academic years specified under IC 20-12-76, beginning with the**
42 **academic year in which the student first enrolls in the institution; and**

43 **(2) may offer to nonresident undergraduate students in the first year they enroll in the**
44 **institution a guaranteed price option for tuition under which tuition cannot be increased**
45 **during the number of academic years specified under IC 20-12-76, beginning with the**
46 **academic year in which the student first enrolls in the institution.**

47 **The guaranteed price option must be calculated and offered in the manner provided in**
48 **IC 20-12-76.**



SECTION 84. IC 20-12-64-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. (a) The university may do the following:

- (1) Sue and be sued.
- (2) Let contracts.
- (3) Enter into cooperative agreements with other educational institutions, including agreements leading to the use of the university as a host site for an educational program administered by another college or university.
- (4) Prescribe conditions for admission.
- (5) Grant degrees and issue diplomas or certificates signifying that a course of postsecondary study has been completed or a degree has been conferred.
- (6) **Subject to subsection (b)**, fix laboratory, contingent, and other fees and charges.
- (7) Set fines and other sanctions for noncompliance with a university contract or rule.
- (8) Employ a faculty and staff for the university, define the duties of the faculty and staff, provide compensation for the faculty and staff, including a program of fringe benefits and a program of retirement benefits that may supplement or supersede the state retirement program established by statute for teachers or other public employees.
- (9) Receive, administer, and dispose of all donations, bequests, grants, funds, and other property that may be given to the university or otherwise acquired by the university.
- (10) Engage in research or public service that furthers an educational purpose.
- (11) Exercise all powers, rights, privileges, and duties conferred upon the university or the board by any statute enacted by the general assembly.
- (12) Adopt rules to carry out this chapter.
- (13) Exercise all other powers necessary to conduct efficiently the affairs of the university.

(b) Beginning with the 2006-2007 academic year, in setting tuition rates, the board:

- (1) must offer to resident undergraduate students in the first year they enroll in the institution a guaranteed price option for tuition under which tuition cannot be increased during the number of academic years specified under IC 20-12-76, beginning with the academic year in which the student first enrolls in the institution; and
- (2) may offer to nonresident undergraduate students in the first year they enroll in the institution a guaranteed price option for tuition under which tuition cannot be increased during the number of academic years specified under IC 20-12-76, beginning with the academic year in which the student first enrolls in the institution.

The guaranteed price option must be calculated and offered in the manner provided in IC 20-12-76.

SECTION 85. IC 20-12-76 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]:

Chapter 76. Computation of Guaranteed Tuition Rates

Sec. 1. As used in this chapter, "academic year" refers to all semesters, quarters, trimesters, summer sessions, or other similar periods of course work beginning after June 30 of a year and ending before July 1 of the immediately following year.

Sec. 2. As used in this chapter, "covered state educational institution" refers to the main campus, the regional campuses, and the satellite locations of the following:

- (1) Indiana University.
- (2) Purdue University.
- (3) Indiana State University.
- (4) Ball State University.
- (5) University of Southern Indiana.

Sec. 3. As used in this chapter, "tuition" refers to any mandatory tuition, including any



1 separately stated lab or technology fees, charged in an academic year by a covered state
2 educational institution to a resident student or nonresident student to attend, participate in, or
3 receive academic credit for one (1) or more classes, seminars, independent studies, or other
4 course work for which the covered state educational institution offers credit toward an
5 undergraduate degree, excluding mandatory fees that are only incidentally related to the
6 operating and capital expenses of providing the course work, such as a student activity fee,
7 health center charge, or transportation charge.

8 **Sec. 4. A covered state educational institution:**

9 (1) must offer to resident undergraduate students a guaranteed price option for tuition
10 under which tuition cannot be increased during the number of academic years determined
11 under sections 5 through 8 of this chapter, beginning with the academic year in which the
12 student first enrolls in the institution; and

13 (2) may offer to nonresident undergraduate students a guaranteed price option for tuition
14 under which tuition cannot be increased during the number of academic years determined
15 under sections 5 through 8 of this chapter, beginning with the academic year in which
16 student first enrolls in the institution.

17 **Sec. 5. A student who enrolls in a covered state university with transferred credit of less than:**

18 (1) eight (8) credit hours of course work on a semester system; or

19 (2) the equivalent of eight (8) credit hours for any period of study that is longer or shorter
20 than a semester, as determined under the rules of the covered state educational institution;
21 is eligible to elect to apply the current guaranteed price option to four (4) consecutive academic
22 years, beginning with the academic year in which the student first enrolls in the institution.

23 **Sec. 6. The four (4) consecutive academic year period specified in section 5 of this chapter is**
24 **increased by one-half (1/2) of a fifth consecutive academic year if, in the first academic year the**
25 **student enrolls in the covered state educational institution, the student enrolled after December**
26 **31 in the academic year.**

27 **Sec. 7. If section 5 of this chapter does not apply to a student and the student transfers to a**
28 **covered state educational institution from:**

29 (1) a postsecondary educational institution that is not a covered state educational
30 institution;

31 (2) another covered state educational institution; or

32 (3) another campus or satellite location maintained by the covered state educational
33 institution;

34 the guaranteed price option is the option in effect in the academic year in which the student
35 transfers. However, the four (4) consecutive academic year period over which tuition is
36 guaranteed is decreased by the total number of semesters or other academic periods that the
37 student was enrolled in the other institution.

38 **Sec. 8. For purposes of this chapter and IC 20-12-23-2.5, IC 20-12-36-4.5, IC 20-12-56-5,**
39 **IC 20-12-57.5-11, and IC 20-12-64-5, a student is considered first enrolled in a covered state**
40 **educational institution in the first semester or other period of course work when:**

41 (1) under the rules of the covered state educational institution, the student has been
42 admitted as an undergraduate student eligible to receive a degree awarded by the covered
43 state educational institution; and

44 (2) the student enrolls in at least:

45 (A) eight (8) credit hours of course work for the semester; or

46 (B) the equivalent of eight (8) credit hours for any period of study that is longer or
47 shorter than a semester, as determined under the rules of the covered state educational
48 institution.



1 **Sec. 9. (a) A covered state educational institution may offer more than one (1) guaranteed**
2 **price option for tuition. The unit to which the price applies may be an academic year, a credit**
3 **hour, a semester, or another unit designated by the covered state educational institution.**

4 **(b) At least one (1) of the guaranteed price options offered to students must be denominated**
5 **in the units that are ordinarily used at the covered state educational institution to bill tuition to**
6 **students.**

7 **(c) The present value of the guaranteed price option offered to students may not exceed the**
8 **present value of the covered state educational institution's best estimate of the projected annual**
9 **tuition costs over the period that the guaranteed price option applies, using the discount rate**
10 **established by the covered state educational institution. A covered state educational institution**
11 **must use a discount rate that reflects reasonable assumptions about the investment opportunities**
12 **available to the covered state institution over the period that the guaranteed price option applies.**

13 **(d) The guaranteed tuition price applicable to an academic year during the period in which**
14 **the guaranteed price option applies must be the same as the guaranteed tuition price applicable**
15 **to each of the other academic years during the period in which the guaranteed price option**
16 **applies.**

17 **Sec. 10. A guaranteed price option must apply both to courses of study that are offered by the**
18 **covered state educational institution in the year that the student first enrolls in the covered state**
19 **educational institution and courses of study that are added after the student first enrolls in the**
20 **covered state educational institution.**

21 **Sec. 11. If a covered state educational institution has a regional campus or another satellite**
22 **location, the covered state education institution may offer a different guaranteed price rate for**
23 **the main campus and each regional campus or other satellite location.**

24 **Sec. 12. The guaranteed price option plan must include procedures for refunding part or all**
25 **of a prepaid amount in the event that the student is no longer enrolled in the covered state**
26 **educational institution.**

27 **Sec. 13. (a) A covered state educational institution shall create sufficient workpapers to**
28 **identify the assumptions used and demonstrate the methodology and calculations used to**
29 **establish the guaranteed tuition price offer by the covered state educational institution.**

30 **(b) The covered state educational institution shall format the workpapers prepared under**
31 **subsection (a) in a form that allows a reasonably informed reader to readily confirm that the**
32 **guaranteed tuition price offered by the covered state educational institution is consistent with**
33 **the assumptions and methodology used by the covered state educational institution and the**
34 **calculations are accurate.**

35 **(c) The workpapers described in subsection (b) are public records.**

36 **SECTION 86. IC 21-1-30-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY**
37 **1, 2005 (RETROACTIVE)]: Sec. 2. For purposes of computation under this chapter, the following**
38 **shall be used:**

39 **(1) Kindergarten pupils shall be counted as five-tenths (0.5). All other pupils shall be counted as**
40 **one (1).**

41 **(2) The number of pupils shall be the number of pupils used in determining ADM, as defined by**
42 **IC 21-3-1.6, for the current year.**

43 **(3) The staff cost amount for a school corporation is sixty-nine thousand eight hundred eleven**
44 **dollars (\$69,811).**

45 **(4) The guaranteed amount for a school corporation is the primetime allocation, before any**
46 **penalty is assessed under this chapter, that the school corporation would have received under this**
47 **chapter for the 1999 calendar year or the first year of participation in the program, whichever**
48 **is later.**



(5) The at-risk index is the index determined under IC 21-3-1.6-1.1.

(6) (5) The following apply to determine whether amounts received under this chapter have been devoted to reducing class size in kindergarten through grade 3 as required by section 3(b) of this chapter:

(A) Except as permitted under section 5.5 of this chapter, only a licensed teacher who is an actual classroom teacher in a regular instructional program is counted as a teacher.

(B) If a school corporation is granted approval under section 5.5 of this chapter, the school corporation may include as one-third (1/3) of a teacher each classroom instructional aide who meets qualifications and performs duties prescribed by the Indiana state board of education.

(7) (6) The complexity index is the index determined under IC 21-3-1.7-6.7.

SECTION 87. IC 21-1-30-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]: Sec. 3. (a) The amount to be distributed to a school corporation under this chapter is the amount determined by the following formula:

STEP ONE: For a calendar year ending before January 1, 2004, determine the applicable target pupil teacher ratio for the school corporation as follows:

(A) If the school corporation's at-risk index is less than seventeen hundredths (0.17), the school corporation's target pupil teacher ratio is eighteen to one (18:1).

(B) If the school corporation's at-risk index is at least seventeen hundredths (0.17) but less than twenty-seven hundredths (0.27), the school corporation's target pupil teacher ratio is fifteen (15) plus the result determined in item (iii):

(i) Determine the result of twenty-seven hundredths (0.27) minus the school corporation's at-risk index.

(ii) Determine the item (i) result divided by one-tenth (0.1).

(iii) Determine the item (ii) result multiplied by three (3).

(C) If the school corporation's at-risk index is at least twenty-seven hundredths (0.27), the school corporation's target pupil teacher ratio is fifteen to one (15:1).

STEP TWO: ONE: For a calendar year beginning after December 31, 2003, 2004, determine the applicable target pupil teacher ratio for the school corporation as follows:

(A) If the school corporation's complexity index is less than **one and** one-tenth (0.1); **(1.1)**, the school corporation's target pupil teacher ratio is eighteen to one (18:1).

(B) If the school corporation's complexity index is at least **one and** one-tenth (0.1) **(1.1)** but less than **one and** two-tenths (0.2); **(1.2)**, the school corporation's target pupil teacher ratio is fifteen (15) plus the result determined in item (iii):

(i) Determine the result of **one and** two-tenths (0.2) **(1.2)** minus the school corporation's complexity index.

(ii) Determine the item (i) result divided by one-tenth (0.1).

(iii) Determine the item (ii) result multiplied by three (3).

(C) If the school corporation's complexity index is at least **one and** two-tenths (0.2); **(1.2)**, the school corporation's target pupil teacher ratio is fifteen to one (15:1).

STEP THREE: TWO: Determine the result of:

(A) the ADM of the school corporation, as determined under section 2(2) of this chapter, in kindergarten through grade 3 for the current school year; divided by

(B) the school corporation's applicable target pupil teacher ratio, as determined in STEP ONE. or STEP TWO.

STEP FOUR: THREE: Determine the result of:

(A) the total regular general fund revenue (the amount determined in IC 21-3-1.7-8.2(b) STEP ONE or IC 21-3-1.7-8.2(c) STEP ONE) multiplied by seventy-five hundredths (0.75); divided by



(B) the school corporation's total ADM.

~~STEP FIVE:~~ **FOUR:** Determine the result of:

(A) the ~~STEP FOUR~~ **THREE** result; multiplied by

(B) the ADM of the school corporation, as determined under section 2(2) of this chapter in kindergarten through grade 3 for the current school year.

~~STEP SIX:~~ **FIVE:** Determine the result of:

(A) the ~~STEP FIVE~~ **FOUR** result; divided by

(B) the staff cost amount.

~~STEP SEVEN:~~ **SIX:** Determine the greater of zero (0) or the result of:

(A) the ~~STEP THREE~~ **TWO** amount; minus

(B) the ~~STEP SIX~~ **FIVE** amount.

~~STEP EIGHT:~~ **SEVEN:** Determine the result of:

(A) the ~~STEP SEVEN~~ **SIX** amount; multiplied by

(B) the staff cost amount.

~~STEP NINE:~~ **EIGHT:** Determine the greater of the ~~STEP EIGHT~~ **SEVEN** amount or the school corporation's guaranteed amount.

~~STEP TEN:~~ **NINE:** If the amount the school corporation received under this chapter in the previous calendar year is greater than zero (0), determine the lesser of:

(A) the ~~STEP NINE~~ **EIGHT** amount; or

(B) the amount the school corporation received under this chapter for the previous calendar year multiplied by one hundred seven and one-half percent (107.5%).

(b) The amount received under this chapter shall be devoted to reducing class size in kindergarten through grade 3. A school corporation shall compile class size data for kindergarten through grade 3 and report the data to the department of education for purposes of maintaining compliance with this chapter.

SECTION 88. IC 21-1-30-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. This chapter expires January 1, ~~2006~~: **2008**.

SECTION 89. IC 21-2-5.6-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 3. This section applies to self-insurance funds permitted to be established under section 1(1) of this chapter and self-insurance funds required to be established under section 1(2) of this chapter. Subject to the approval of the commissioner of the department of insurance, the governing body of the school corporation is authorized to:

(1) transfer to the self-insurance fund an amount of money in:

(A) the general fund budget; and

(B) the general fund tax levy and rate;

(2) transfer monies from the general fund to the self-insurance fund; ~~or~~

(3) appropriate monies from the general fund for the self-insurance fund; **or**

(4) **to the extent that money in the capital projects fund may be used for property or casualty insurance, transfer money from the capital projects fund to the self-insurance fund.**

SECTION 90. IC 21-2-11-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 4. (a) Any lawful school expenses payable from any other fund of the school corporation, including without limitation debt service and capital outlay, but excluding costs attributable to transportation (as defined in IC 21-2-11.5-2), may be budgeted in and paid from the general fund. However, after June 30, ~~2003~~; **2005**, and before July 1, ~~2005~~; **2007**, a school corporation may budget for and pay costs attributable to transportation (as defined in IC 21-2-11.5-2) from the general fund.

(b) In addition, remuneration for athletic coaches (whether or not they are otherwise employed by the school corporation and whether or not they are licensed under IC 20-6.1-3) may be budgeted in and



1 paid from the school corporation's general fund.

2 (c) **This subsection applies only to the extent that the school corporation's transportation fund**
3 **has not been increased under IC 21-2-11.5-3(b)(2) or another adjustment made by the**
4 **department of local government finance to reflect the termination of state distributions for the**
5 **school corporation's transportation fund.** During the period beginning July 1, 2003, 2005, and
6 ending June 30, 2005, 2007, the school corporation may transfer money in a fund maintained by the
7 school corporation (other than the special education preschool fund (IC 21-2-17-1) or the school bus
8 replacement fund (IC 21-2-11.5-2)) that is obtained from:

9 (1) a source other than a state distribution or local property taxation; or

10 (2) a state distribution or a property tax levy that is required to be deposited in the fund;
11 to any other fund. A transfer under subdivision (2) may not be the sole basis for reducing the property
12 tax levy for the fund from which the money is transferred or the fund to which money is transferred.
13 Money transferred under this subsection may be used only to pay costs, including debt service, **C**
14 attributable to reductions in funding for transportation distributions under IC 21-3-3.1, including
15 reimbursements associated with transportation costs for special education and vocational programs
16 under IC 21-3-3.1-4, and ADA flat grants under IC 21-3-4.5 (**repealed**). The property tax levy for a
17 fund from which money was transferred may not be increased to replace the money transferred to
18 another fund.

19 (d) The total amount transferred under subsection (c) may not exceed the following:

20 (1) For the period beginning July 1, 2003, 2005, and ending June 30, 2004, 2006, the total amount **O**
21 of state funding received for transportation distributions under IC 21-3-3.1, including
22 reimbursements associated with transportation costs for special education and vocational
23 programs under IC 21-3-3.1-4, and ADA flat grants under IC 21-3-4.5 (**repealed**), for the same
24 period: last state transportation distribution (as defined in IC 21-2-11.5-3).

25 (2) For the period beginning July 1, 2004, 2006, and ending June 30, 2005, 2007, the product **p**

26 (A) the amount determined under subdivision (1); multiplied by

27 (B) two (2). **y**

28 SECTION 91. IC 21-2-11.5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY
29 1, 2006]: Sec. 3. (a) Subject to subsection (b), each school corporation may levy for the calendar year
30 a property tax for the school transportation fund sufficient to pay all operating costs attributable to
31 transportation that:

32 (1) are not paid from other revenues available to the fund as specified in section 4 of this chapter
33 and

34 (2) are listed in section 2(a)(1) through 2(a)(7) of this chapter.

35 (b) For each year after 2003, the levy for the fund may not exceed:

36 (1) the amount determined by multiplying:

37 (A) the school corporation's levy for the school transportation fund for the previous year,
38 as that levy was determined by the department of local government finance in fixing the civil
39 taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17 and after
40 eliminating the effects of temporary excessive levy appeals and any other temporary
41 adjustments made to the levy for the calendar year; multiplied by

42 (B) the assessed value growth quotient determined under subsection (c) STEP FOUR; plus

43 (2) in 2006 and 2007, the amount determined under subsection (d).

44 (c) For purposes of subsection (b), the assessed value growth quotient is the amount
45 determined under STEP FOUR of the following formula:

46 STEP ONE: For each of the six (6) calendar years immediately preceding the year in which a
47 budget is adopted under IC 6-1.1-17-5 or IC 6-1.1-17-5.6 for part or all of the ensuing calendar
48 year, divide the Indiana nonfarm personal income for the calendar year by the Indiana nonfarm



personal income for the calendar year immediately preceding that calendar year, rounding to the nearest one-thousandth (0.001).

STEP TWO: Determine the sum of the STEP ONE results.

STEP THREE: Divide the STEP TWO result by six (6), rounding to the nearest one-thousandth (0.001).

STEP FOUR: Determine the lesser of the following:

(A) The STEP THREE quotient.

(B) One and six-hundredths (1.06).

If the amount levied in a particular year exceeds the amount necessary to cover the costs payable from the fund, the levy in the following year shall be reduced by the amount of surplus money.

(d) As used in this subsection, "last state transportation distribution" means the total amount of state funding received by a school corporation for transportation costs:

(1) under IC 21-3-3.1-1 through IC 21-3-3.1-3; and

(2) for special education and vocational programs under IC 21-3-3.1-4; after June 30, 2003, and before July 1, 2004;

multiplied by two (2). To the extent that the amount determined under subsection (b)(1) has not been adjusted to reflect the termination of state distributions for the school corporation's transportation fund, as determined by the department of local government finance, a school corporation may increase its school transportation fund levy for 2006 above the amount determined under subsection (b)(1) by fifty percent (50%) of the school corporation's last state transportation distribution, and the school corporation may increase its school transportation fund levy for 2007 above the amount determined under subsection (b)(1) by the remaining fifty percent (50%) of the school corporation's last state transportation distribution. The amount of the additional levy imposed in a year under this subsection shall be treated, for purposes of applying subsection (b)(1) in the following year, as part of the school corporation's levy for the school transportation fund for the previous year.

(e) Each school corporation may levy for the calendar year a tax for the school bus replacement fund in accordance with the school bus acquisition plan adopted under section 3.1 of this chapter.

(f) The tax rate and levy for each fund shall be established as a part of the annual budget for the calendar year in accord with IC 6-1.1-17.

SECTION 92. IC 21-2-15-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 4. (a) As used in this subsection, "calendar year distribution" means the sum of:

(1) all distributions to a school corporation under:

(A) IC 6-1.1-19-1.5;

(B) IC 21-1-30;

(C) IC 21-3-1.7;

(D) IC 21-3-2.1; and

(E) IC 21-3-12;

for the calendar year; plus

(2) the school corporation's excise tax revenue (as defined in IC 21-3-1.7-2) for the immediately preceding calendar year.

(b) A school corporation may establish a capital projects fund.

(c) With respect to any facility used or to be used by the school corporation (other than a facility used or to be used primarily for interscholastic or extracurricular activities, except as provided in subsection (j)), the fund may be used to pay for the following:

(1) Planned construction, repair, replacement, or remodeling.

(2) Site acquisition.

(3) Site development.



1 (4) Repair, replacement, or site acquisition that is necessitated by an emergency.
 2 (d) The fund may be used to pay for the purchase, lease, repair, or maintenance of equipment to be
 3 used by the school corporation (other than vehicles to be used for any purpose and equipment to be
 4 used primarily for interscholastic or extracurricular activities, except as provided in subsection (j)).
 5 (e) The fund may be used for any of the following purposes:
 6 (1) To purchase, lease, upgrade, maintain, or repair one (1) or more of the following:
 7 (A) Computer hardware.
 8 (B) Computer software.
 9 (C) Wiring and computer networks.
 10 (D) Communication access systems used to connect with computer networks or electronic
 11 gateways.
 12 (2) To pay for the services of full-time or part-time computer maintenance employees.
 13 (3) To conduct nonrecurring inservice technology training of school employees.
 14 (4) To fund the payment of advances, together with interest on the advances, from the common
 15 school fund for educational technology programs under IC 21-1-5.
 16 (5) To fund the acquisition of any equipment or services necessary:
 17 (A) to implement the technology preparation curriculum under IC 20-10.1-5.6;
 18 (B) to participate in a program to provide educational technologies, including computers, in
 19 the homes of students (commonly referred to as "the buddy system project") under
 20 IC 20-10.1-25, the 4R's technology program under IC 20-10.1-25, or any other program under
 21 the educational technology program described in IC 20-10.1-25; or
 22 (C) to obtain any combination of equipment or services described in clauses (A) and (B).
 23 (f) The fund may be used to purchase:
 24 (1) building sites;
 25 (2) buildings in need of renovation;
 26 (3) building materials; and
 27 (4) equipment;
 28 for the use of vocational building trades classes to construct new buildings and to remodel existing
 29 buildings.
 30 (g) The fund may be used for leasing or renting of existing real estate, excluding payments
 31 authorized under IC 21-5-11 and IC 21-5-12.
 32 (h) The fund may be used to pay for services of the school corporation employees that
 33 bricklayers, stone masons, cement masons, tile setters, glaziers, insulation workers, asbestos removal
 34 painters, paperhangers, drywall applicators and tapers, plasterers, pipe fitters, roofers, structural and
 35 steel workers, metal building assemblers, heating and air conditioning installers, welders, carpenters,
 36 electricians, or plumbers, as these occupations are defined in the United States Department of Labor,
 37 Employment and Training Administration, Dictionary of Occupational Titles, Fourth Edition, Revised
 38 1991, if:
 39 (1) the employees perform construction of, renovation of, remodeling of, repair of, or
 40 maintenance on the facilities and equipment specified in subsections (b) and (c);
 41 (2) the school corporation's total annual salary and benefits paid by the school corporation to
 42 employees described in this subsection are at least six hundred thousand dollars (\$600,000); and
 43 (3) the payment of the employees described in this subsection is included as part of the proposed
 44 capital projects fund plan described in section 5(a) of this chapter.
 45 However, the number of employees that are covered by this subsection is limited to the number of
 46 employee positions described in this subsection that existed on January 1, 1993. For purposes of this
 47 subsection, maintenance does not include janitorial or comparable routine services normally provided
 48 in the daily operation of the facilities or equipment.



1 (i) The fund may be used to pay for energy saving contracts entered into by a school corporation
2 under IC 36-1-12.5.

3 (j) Money from the fund may be used to pay for the construction, repair, replacement, remodeling,
4 or maintenance of a school sports facility. However, a school corporation's expenditures in a calendar
5 year under this subsection may not exceed five percent (5%) of the property tax revenues levied for
6 the fund in the calendar year.

7 (k) Money from the fund may be used to carry out a plan developed under IC 20-10.1-33.

8 (l) This subsection applies during the period beginning January 1, ~~2004~~, **2006**, and ending
9 December 31, ~~2005~~: **2007**. Money from the fund may be used to pay for up to one hundred percent
10 (100%) of the following costs of a school corporation:

11 (1) Utility services.

12 (2) Property or casualty insurance.

13 (3) Both utility services and property or casualty insurance.

14 In the 2004 calendar year, a school corporation's expenditures under this subsection may not exceed
15 one percent (1%) of the school corporation's 2003 calendar year distribution. In the 2005 calendar
16 year, A school corporation's expenditures under this subsection may not exceed two percent (2%) of
17 the school corporation's 2003 **previous** calendar year distribution.

18 (m) Notwithstanding subsection (l), a school corporation's expenditures under subsection (l) in the
19 2004 calendar year may exceed one percent (1%) of the school corporation's 2003 calendar year
20 distribution if the school corporation's 2004 calendar year distribution is less than the school
21 corporation's 2003 calendar year distribution. The amount by which a school corporation's
22 expenditures under subsection (l) in the 2004 calendar year may exceed one percent (1%) of the school
23 corporation's 2003 calendar year distribution is the least of the following:

24 (1) One percent (1%) of the school corporation's 2003 calendar year distribution.

25 (2) The greater of zero (0) or the difference between:

26 (A) the sum of:

27 (i) the school corporation's calendar year distribution;

28 (ii) the amount determined for the school corporation under subsection (l); plus

29 (iii) the amount determined for the school corporation under this subsection, if any;

30 for the immediately preceding calendar year; minus

31 (B) the school corporation's calendar year distribution for the calendar year.

32 (3) The difference between:

33 (A) one hundred percent (100%) of the school corporation's costs for utility services and
34 property or casualty insurance; minus

35 (B) the amount determined for the school corporation under subsection (l) for the calendar
36 year.

37 (n) Notwithstanding subsection (l), a school corporation's expenditures under subsection (l) in the
38 2005 calendar year may exceed two percent (2%) of the school corporation's 2003 calendar year
39 distribution if the school corporation's 2005 calendar year distribution is less than the school
40 corporation's 2003 calendar year distribution. The amount by which a school corporation's
41 expenditures under subsection (l) in the 2005 calendar year may exceed two percent (2%) of the school
42 corporation's 2003 calendar year distribution is the least of the following:

43 (1) Two percent (2%) of the school corporation's 2003 calendar year distribution.

44 (2) The greater of zero (0) or the difference between:

45 (A) the sum of:

46 (i) the school corporation's calendar year distribution;

47 (ii) the amount determined for the school corporation under subsection (l); plus

48 (iii) the amount determined for the school corporation under this subsection, if any;



1 for the immediately preceding calendar year; minus
2 (B) the school corporation's calendar year distribution for the calendar year.
3 (3) The difference between:
4 (A) one hundred percent (100%) of the school corporation's costs for utility services and
5 property or casualty insurance; minus
6 (B) the amount determined for the school corporation under subsection (f) for the calendar
7 year.

8 SECTION 93. IC 21-3-1.6-1.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
9 JANUARY 1, 2005 (RETROACTIVE)]: Sec. 1.1. As used in this chapter:

10 (a) "School corporation" means any local public school corporation established under Indiana law.
11 Except as otherwise indicated, the term includes a charter school.

12 (b) "School year" means a year beginning July 1 and ending the next succeeding June 30.

13 (c) "State distribution" due a school corporation means the amount of state funds to be distributed
14 to a school corporation in any calendar year under this chapter.

15 (d) "Average daily membership" or "ADM" of a school corporation means the number of eligible
16 pupils enrolled in the school corporation or in a transferee corporation on a day to be fixed annually
17 by the Indiana state board of education and ~~beginning in the school year that ends in the 2005 calendar~~
18 ~~year~~, as subsequently adjusted not later than January 30 under the rules adopted by the state board of
19 education. The initial day of the count shall fall within the first thirty (30) days of the school term. If
20 however, extreme patterns of student in-migration, illness, natural disaster, or other unusual conditions
21 in a particular school corporation's enrollment on either the day fixed by the Indiana state board
22 of education or on the subsequent adjustment date, cause the enrollment to be unrepresentative of the
23 school corporation's enrollment throughout a school year, the Indiana state board of education may
24 designate another day for determining the school corporation's enrollment. The Indiana state board of
25 education shall monitor changes that occur after the fall count, in the number of students enrolled in
26 programs for children with disabilities and shall, before December 2 of that same year and, beginning
27 in the 2004 calendar year, before April 2 of the following calendar year, make an adjusted count for
28 students enrolled in programs for children with disabilities. The superintendent of public instruction
29 shall certify the December adjusted count to the budget committee before February 5 of the following
30 year and the April adjusted count not later than May 31 immediately after the date of the April
31 adjusted count. In determining the ADM, each kindergarten pupil shall be counted as one-half (1/2)
32 pupil. Where a school corporation commences kindergarten in a school year, the ADM of the current
33 and prior calendar years shall be adjusted to reflect the enrollment of the kindergarten pupils in
34 determining the ADM, each pupil enrolled in a public school and a nonpublic school is to be counted
35 on a full-time equivalency basis as provided in section 1.2 of this chapter.

36 (e) "Additional count" of a school corporation, or comparable language, means the aggregate of the
37 additional counts of the school corporation for certain pupils as set out in section 3 of this chapter
38 (repealed) and as determined at the times for calculating ADM. "Current additional count" means the
39 initial computed additional count of the school corporation for the school year ending in the calendar
40 year. "Prior year additional count" of a school corporation used in computing its state distribution in
41 a calendar year means the initial computed additional count of the school corporation for the school
42 year ending in the preceding calendar year.

43 (f) For purposes of this subsection, "school corporation" does not include a charter school.
44 "Adjusted assessed valuation" of any school corporation used in computing state distribution for a
45 calendar year means the assessed valuation in the school corporation, adjusted as provided in
46 IC 6-1.1-34. The amount of the valuation shall also be adjusted downward by the department of local
47 government finance to the extent it consists of real or personal property owned by a railroad or other
48 corporation under the jurisdiction of a federal court under the federal bankruptcy laws (11 U.S.C. 101



et seq.) if as a result of the corporation being involved in a bankruptcy proceeding the corporation is delinquent in payment of its Indiana real and personal property taxes for the year to which the valuation applies. If the railroad or other corporation in some subsequent calendar year makes payment of the delinquent taxes, then the state superintendent of public instruction shall prescribe adjustments in the distributions of state funds pursuant to this chapter as are thereafter to become due to a school corporation affected by the delinquency as will ensure that the school corporation will not have been unjustly enriched under the provisions of P.L.382-1987(ss). The amount of the valuation shall also be adjusted downward by the department of local government finance to the extent it consists of real or personal property described in IC 6-1.1-17-0.5(b).

(g) "General fund" means a fund established under IC 21-2-11-2.

(h) "Teacher" means every person who is required as a condition of employment by a school corporation to hold a teacher's license issued or recognized by the state, except substitutes and any person paid entirely from federal funds.

(i) For purposes of this subsection, "school corporation" does not include a charter school. "Teacher ratio" of a school corporation used in computing state distribution in any calendar year means the ratio assigned to the school corporation pursuant to section 2 of this chapter.

(j) "Eligible pupil" means a pupil enrolled in a school corporation if:

(1) the school corporation has the responsibility to educate the pupil in its public schools without the payment of tuition;

(2) subject to subdivision (5), the school corporation has the responsibility to pay transfer tuition on under IC 20-8.1-6.1, because the pupil is transferred for education to another school corporation (the "transferee corporation");

(3) the pupil is enrolled in a school corporation as a transfer student under IC 20-8.1-6.1-3 or entitled to be counted for ADM or additional count purposes as a resident of the school corporation when attending its schools under any other applicable law or regulation;

(4) the state is responsible for the payment of transfer tuition to the school corporation for the pupil under IC 20-8.1-6.1; or

(5) all of the following apply:

(A) The school corporation is a transferee corporation.

(B) The pupil does not qualify as a qualified pupil in the transferee corporation under subdivision (3) or (4).

(C) The transferee corporation's attendance area includes a state licensed private or public health care facility, child care facility, or foster family home where the pupil was placed

(i) by or with the consent of the division of family and children;

(ii) by a court order;

(iii) by a child placing agency licensed by the division of family and children; or

(iv) by a parent or guardian under IC 20-8.1-6.1-5.

For purposes of IC 21-3-12, the term includes a student enrolled in a charter school.

(k) "General fund budget" of a school corporation means the amount of the budget approved for a given year by the department of local government finance and used by the department of local government finance in certifying a school corporation's general fund tax levy and tax rate for the school corporation's general fund as provided for in IC 21-2-11. The term does not apply to a charter school.

(l) "At risk index" means the following:

(1) For a school corporation that is not a charter school, the sum of:

(A) the product of sixteen-hundredths (0.16) multiplied by the percentage of families in the school corporation with children who are less than eighteen (18) years of age and who have a family income below the federal income poverty level (as defined in IC 12-15-2-1);



(B) the product of four-tenths (0.4) multiplied by the percentage of families in the school corporation with a single parent; and

(C) the product of forty-four hundredths (0.44) multiplied by the percentage of the population in the school corporation who are at least twenty (20) years of age with less than a twelfth grade education.

The data to be used in making the calculations under this subdivision must be the data from the 2000 federal decennial census.

(2) For a charter school, the index determined under subdivision (1) for the school corporation in which the charter school is located.

(m) (I) "ADM of the previous year" or "ADM of the prior year" used in computing a state distribution in a calendar year means the initial computed ADM for the school year ending in the preceding calendar year.

(m) (m) "Current ADM" used in computing a state distribution in a calendar year means the initial computed ADM for the school year ending in the calendar year.

SECTION 94. IC 21-3-1.7-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)]: Sec. 2. (a) As used in this chapter, "excise tax revenue" means the amount sum of:

(1) financial institution excise tax revenue (IC 6-5.5); plus

(2) the motor vehicle excise taxes (IC 6-6-5); and the

(3) commercial vehicle excise taxes (IC 6-6-5.5);

(4) boat excise tax (IC 6-6-11); and

(5) aircraft excise tax (IC 6-6-6.5);

the school corporation received for deposit in the school corporation's general fund in a year or would have received for deposit in the school corporation's general fund in a year if the settlement of property taxes first due and payable in the year had been made on the schedule required under IC 6-1.1-27-1. The excise tax revenue for a charter school is zero (0).

(b) Not later than January 15 each year, the department of local government finance shall certify to the department of education the amount of each school corporation's excise tax revenue for the immediately preceding year. In 2006, the department of local government finance shall certify to the department of education the amount of each school corporation's excise tax revenue for both 2004 and 2005. The department of education may rely on the excise tax revenue amounts certified by the department of local government finance under this subsection in making calculations under this chapter.

SECTION 95. IC 21-3-1.7-3.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 3.1. (a) As used in this chapter, "previous year revenue" for calculations with respect to a school corporation equals:

(1) the school corporation's tuition support for regular programs, including basic tuition support, and excluding:

(A) special education grants;

(B) vocational education grants;

(C) at-risk programs;

(D) the enrollment adjustment grant;

(E) (C) the academic honors diploma award; and

(F) (D) the primetime distribution; and

(G) for 2005 and thereafter, the supplemental remediation grant;

for the year that precedes the current year; plus

(2) the school corporation's tuition support levy for the year that precedes the current year before the reductions required under section 5(1) and 5(2) of this chapter; plus



(3) distributions received by the school corporation under IC 6-1.1-21.6 for the year that precedes the current year; plus
(4) (3) the school corporation's excise tax revenue for the year that precedes the current year by two (2) years; minus
(5) (4) an amount equal to the reduction in the school corporation's tuition support under **any combination of** subsection (b), **subsection (c)**, or IC 20-10.1-2-1. **or both**; plus
(6) in calendar year 2003, the amount determined for calendar year 2002 under section 8.2 of this chapter; **STEP TWO (C)**; plus
(7) in calendar year 2004, the amount determined for calendar year 2002 under section 8.2 of this chapter; **STEP TWO (D)**; plus
(8) notwithstanding subdivision (1); in calendar year 2004, the school corporation's distribution under section 9.7 of this chapter for calendar year 2003.

(b) A school corporation's previous year revenue shall be reduced if:

(1) the school corporation's state tuition support for special or vocational education was reduced as a result of a complaint being filed with the department of education after December 31, 1997 because the school program overstated the number of children enrolled in special or vocational education programs; and

(2) the school corporation's previous year revenue has not been reduced under this subsection more than one (1) time because of a given overstatement.

The amount of the reduction equals the amount the school corporation would have received in tuition support for special and vocational education because of the overstatement.

(c) A school corporation's previous year revenue shall be reduced if an existing elementary or secondary school located in the school corporation converts to a charter school under IC 20-5.5-11.

The amount of the reduction equals the product of:

(1) the sum of the amounts distributed to the conversion charter school under IC 20-5.5-7-3.5(a) and IC 20-5.5-7-3.5(d); multiplied by

(2) two (2).

SECTION 96. IC 21-3-1.7-6.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 6.6. (a) **This subsection does not apply to a charter school.** For purposes of this chapter, a school corporation's "adjusted ADM" for the current year is the result determined under the following formula:

STEP ONE: Determine the **greatest sum** of the following:

(A) **The school corporation's ADM for the year preceding the current year by four (4) years multiplied by two-tenths (0.2).**

~~(A)~~ (B) The school corporation's ADM for the year preceding the current year by three (3) years **multiplied by two-tenths (0.2).**

~~(B)~~ (C) The school corporation's ADM for the year preceding the current year by two (2) years **multiplied by two-tenths (0.2).**

~~(C)~~ (D) The school corporation's ADM for the year preceding the current year by one (1) year **multiplied by two-tenths (0.2).**

~~(D)~~ (E) The school corporation's ADM for the current year **multiplied by two-tenths (0.2).**

Round the result to the nearest five-tenths (0.5).

STEP TWO: Determine the greater of zero (0) or the result of:

(A) the school corporation's ADM for the year preceding the current year by four (4) years; minus

~~(B)~~ the STEP ONE amount.

STEP THREE: **TWO:** Determine the **greatest sum** of the following:

(A) The school corporation's ADM for the year preceding the current year by two (2) years



1 **multiplied by thirty-three hundredths (0.33).**
 2 (B) The school corporation's ADM for the year preceding the current year by one (1) year
 3 **multiplied by thirty-three hundredths (0.33).**
 4 (C) The school corporation's ADM for the current year **multiplied by thirty-four**
 5 **hundredths (0.34).**
 6 STEP FOUR: Determine the greater of zero (0) or the result of:
 7 (A) the school corporation's ADM for the year preceding the current year by three (3) years;
 8 minus
 9 (B) the STEP THREE amount.
 10 STEP FIVE: Determine the greater of the following:
 11 (A) The school corporation's ADM for the year preceding the current year by one (1) year.
 12 (B) The school corporation's ADM for the current year.
 13 STEP SIX: Determine the greater of zero (0) or the result of:
 14 (A) the school corporation's ADM for the year preceding the current year by two (2) years;
 15 minus
 16 (B) the STEP FIVE amount.
 17 STEP SEVEN: Determine the greater of zero (0) or the result of:
 18 (A) the school corporation's ADM for the year preceding the current year by one (1) year;
 19 minus
 20 (B) the school corporation's ADM for the current year.
 21 STEP EIGHT: Determine the sum of the following:
 22 (A) The STEP TWO result multiplied by two-tenths (0.2).
 23 (B) The STEP FOUR result multiplied by four-tenths (0.4).
 24 (C) The STEP SIX result multiplied by six-tenths (0.6).
 25 (D) The STEP SEVEN result multiplied by eight-tenths (0.8).
 26 STEP NINE: Determine the result of:
 27 (A) the school corporation's ADM for the current year; plus
 28 (B) the STEP EIGHT result.
 29 STEP TEN: This STEP applies to a school corporation for which the amount determined under
 30 STEP EIGHT is zero (0). Determine the sum of:
 31 (A) the school corporation's ADM for the 2003 school year; plus
 32 (B) the subsection (b) or (c) result, whichever is applicable.
 33 Round the result to the nearest five-tenths (0.5).
 34 (b) This subsection applies during the 2004 calendar year to a school corporation described in
 35 subsection (a) STEP TEN. Determine the result under the following formula:
 36 STEP ONE: Determine the difference between:
 37 (A) the school corporation's ADM for the 2004 school year; minus
 38 (B) the school corporation's ADM for the 2003 school year.
 39 STEP TWO: Determine the greater of zero (0) or the STEP ONE amount.
 40 STEP THREE: Determine the product of:
 41 (A) the STEP TWO amount; multiplied by
 42 (B) two-thousandths (0.002).
 43 STEP FOUR: Determine the lesser of the following:
 44 (A) The STEP THREE amount.
 45 (B) Seventy-five hundredths (0.75).
 46 STEP FIVE: Determine the product of:
 47 (A) the STEP ONE amount; multiplied by
 48 (B) the STEP FOUR amount.

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(c) This subsection applies during the 2005 calendar year to a school corporation described in subsection (a) STEP TEN: Determine the result under the following formula:

STEP ONE: Determine the difference between:

(A) the school corporation's ADM for the 2005 school year; minus

(B) the school corporation's ADM for the 2004 school year.

STEP TWO: Determine the greater of zero (0) or the STEP ONE amount.

STEP THREE: Determine the product of:

(A) the STEP TWO amount; multiplied by

(B) two-thousandths (0.002).

STEP FOUR: Determine the lesser of the following:

(A) The STEP THREE amount.

(B) Seventy-five hundredths (0.75).

STEP FIVE: Determine the product of:

(A) the STEP ONE amount; multiplied by

(B) the STEP FOUR amount.

STEP SIX: Determine the subsection (b) amount.

STEP SEVEN: Determine the sum of:

(A) the STEP FIVE result; plus

(B) the STEP SIX result.

Round the result to the nearest five-tenths (0.5).

STEP THREE: Determine the greater of the following:

(A) The STEP ONE result.

(B) The STEP TWO result.

(d) For a charter school whose current ADM is at least fifteen percent (15%) greater than the charter school's ADM of the previous year, the (b) A charter school's adjusted ADM for purposes of this section **chapter** is the charter school's current ADM.

SECTION 97. IC 21-3-1.7-6.7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 6.7. (a) This subsection applies during the 2003 calendar year. For each school corporation that is not a charter school, the index used in subsection (d) is determined under the following STEPS:

STEP ONE: Determine the greater of zero (0) or the result of the following:

(1) Multiply the school corporation's at risk index by twenty-five hundredths (0.25).

(2) Divide the result under subdivision (1) by three thousand seven hundred thirty-six ten-thousandths (0.3736).

(3) Subtract three hundred ninety-five ten-thousandths (0.0395) from the result under subdivision (2).

STEP TWO: Determine the greater of zero (0) or the result of the following:

(1) Multiply the percentage of the school corporation's students who were eligible for free lunches in the school year ending in 2001 by twenty-five hundredths (0.25).

(2) Divide the result under subdivision (1) by seven hundred twenty-three thousandths (0.723).

STEP THREE: Determine the greater of zero (0) or the result of the following:

(1) Multiply the percentage of the school corporation's students who were classified as limited English proficient in the school year ending in 2000 by twenty-five hundredths (0.25).

(2) Divide the result under subdivision (1) by one thousand seven hundred fifteen ten-thousandths (0.1715).

STEP FOUR: Determine the result of:

(1) the sum of the results in STEPS ONE through THREE; divided by

(2) three (3).



1 STEP FIVE: Determine the result of one (1) plus the STEP FOUR result.

2 (b) This subsection applies to calendar years beginning after December 31, 2003. (a) This
3 subsection does not apply to a charter school that has previous year revenue that is zero (0). For
4 each school corporation, that is not a charter school, the index used in subsection (c) is determined
5 under the following STEPS:

6 STEP ONE: Determine the greater of zero (0) or the result of the following:

7 (1) Determine the percentage of the population in the school corporation who are at least
8 ~~twenty (20)~~ **twenty-five (25)** years of age with less than a twelfth grade education.

9 (2) Determine the quotient of:

10 (A) ~~eight hundred seventy dollars (\$870) in 2004 and nine hundred seventy one thousand~~
11 ~~nineteen dollars (\$970); in 2005; (\$1,019);~~ divided by

12 (B) ~~four thousand three hundred fifty dollars (\$4,350) in 2004 and four thousand three~~
13 ~~hundred sixty-eight seventy dollars (\$4,368) in 2005: (\$4,370).~~

14 (3) Determine the product of:

15 (A) the subdivision (1) amount; multiplied by

16 (B) the subdivision (2) amount.

17 STEP TWO: Determine the greater of zero (0) or the result of the following:

18 (1) Determine the percentage of the school corporation's students who were eligible for free
19 lunches in the school year ending in ~~2003~~: **2005**.

20 (2) Determine the quotient of:

21 (A) ~~one thousand one hundred dollars (\$1,100) in 2004 and one thousand two hundred sixty~~
22 ~~dollars (\$1,200); in 2005; (\$1,260);~~ divided by

23 (B) ~~four thousand three hundred fifty dollars (\$4,350) in 2004 and four thousand three~~
24 ~~hundred sixty-eight seventy dollars (\$4,368) in 2005: (\$4,370).~~

25 (3) Determine the product of:

26 (A) the subdivision (1) amount; multiplied by

27 (B) the subdivision (2) amount.

28 STEP THREE: Determine the greater of zero (0) or the result of the following:

29 (1) Determine the percentage of the school corporation's students who were classified as
30 limited English proficient in the school year ending in ~~2003~~: **2005**.

31 (2) Determine the quotient of:

32 (A) ~~three hundred ten dollars (\$310) in 2004 and four hundred thirty fifty-two doll~~
33 ~~(\$430); in 2005; (\$452);~~ divided by

34 (B) ~~four thousand three hundred fifty dollars (\$4,350) in 2004 and four thousand three~~
35 ~~hundred sixty-eight seventy dollars (\$4,368) in 2005: (\$4,370).~~

36 (3) Determine the product of:

37 (A) the subdivision (1) amount; multiplied by

38 (B) the subdivision (2) amount.

39 STEP FOUR: Determine the greater of zero (0) or the result of the following:

40 (1) Determine the percentage of families in the school corporation with a single parent.

41 (2) Determine the quotient of:

42 (A) ~~four hundred forty dollars (\$440) in 2004 and five hundred thirty fifty-seven dollars~~
43 ~~(\$530); in 2005; (\$557);~~ divided by

44 (B) ~~four thousand three hundred fifty dollars (\$4,350) in 2004 and four thousand three~~
45 ~~hundred sixty-eight seventy dollars (\$4,368) in 2005: (\$4,370).~~

46 (3) Determine the product of:

47 (A) the subdivision (1) amount; multiplied by

48 (B) the subdivision (2) amount.

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STEP FIVE: Determine the greater of zero (0) or the result of the following:

(1) Determine the percentage of families in the school corporation with children who are less than eighteen (18) years of age and who have a family income level below the federal income poverty level (as defined in IC 12-15-2-1).

(2) Determine the quotient of:

(A) ~~two hundred twenty dollars (\$220) in 2004 and three hundred thirty~~ **forty-seven** dollars (\$330); ~~in 2005; (\$347);~~ divided by

(B) ~~four thousand three hundred fifty dollars (\$4,350) in 2004 and four thousand three hundred sixty-eight~~ **seventy** dollars (\$4,368) ~~in 2005; (\$4,370).~~

(3) Determine the product of:

(A) the subdivision (1) amount; multiplied by

(B) the subdivision (2) amount.

STEP SIX: Determine the sum of the results in STEPS ONE through FIVE.

STEP SEVEN: Determine the result of one (1) plus the STEP SIX result.

STEP EIGHT: This STEP applies if the STEP SEVEN result is equal to or greater than one and twenty-five hundredths (1.25). Determine the result of the following:

~~(1) Determine the STEP TWO (1) amount for the school corporation:~~

~~(2) Determine the quotient of:~~

~~(A) one hundred fifty dollars (\$150); divided by~~

~~(B) four thousand three hundred fifty dollars (\$4,350) in 2004 and four thousand three hundred sixty-eight~~ **seventy** dollars (\$4,368) ~~in 2005;~~

~~(3) Determine the product of:~~

~~(A) the subdivision (1) amount; multiplied by~~

~~(B) the subdivision (2) amount.~~

~~(4) Determine the STEP FIVE (1) amount for the school corporation:~~

~~(5) Determine the product of:~~

~~(A) the subdivision (4) amount; multiplied by~~

~~(B) the subdivision (2) amount.~~

~~(6) Determine the result of:~~

~~(A) the subdivision (3) result; plus~~

~~(B) the subdivision (5) result.~~

(1) Subtract the STEP SEVEN result from one and twenty-five hundredths (1.25).

(2) Multiply the subdivision (1) result by five-tenths (0.5).

~~(7) (3) Determine the result of:~~

~~(A) the STEP SEVEN result; plus~~

~~(B) the subdivision (6) (2) result.~~

The data to be used in making the calculations under STEP ONE, STEP FOUR, and STEP FIVE of this subsection must be the data from the 2000 federal decennial census.

~~(c) (b)~~ For each charter school, the index used in ~~section (d) or (e)~~ **subsection (c)** is the index determined under subsection (a) ~~or (b)~~ for the school corporation in which the charter school is located. **However, the index used in subsection (c) for Campagna Academy Charter School is the index determined under subsection (a) for Gary Community School Corporation.**

~~(d)~~ This subsection applies to calendar years ending before January 1, 2004. A school corporation's target revenue per ADM for a calendar year is the result determined under STEP SIX of the following formula:

STEP ONE: Determine the result under clause (B) of the following formula:

~~(A) Determine the result of:~~

~~(i) four thousand five hundred sixty dollars (\$4,560); multiplied by~~



1 (ii) the index determined for the school corporation under subsection (a) or (c); as
2 applicable.

3 (B) Multiply the clause (A) result by the school corporation's adjusted ADM for the current
4 year.

5 STEP TWO: Divide the school corporation's previous year revenue by the school corporation's
6 adjusted ADM for the previous year.

7 STEP THREE: Multiply the index determined under subsection (a) or (c); as applicable; by the
8 following:

9 (A) If the STEP TWO result is not more than four thousand five hundred sixty dollars
10 (\$4,560); multiply by ninety dollars (\$90).

11 (B) If the STEP TWO result is more than four thousand five hundred sixty dollars (\$4,560)
12 and not more than five thousand eight hundred twenty-five dollars (\$5,825); multiply by the
13 result under clause (C).

14 (C) Determine the result of the following:

15 (i) The STEP TWO result minus four thousand five hundred sixty dollars (\$4,560);

16 (ii) Divide the item (i) result by one thousand two hundred sixty-five dollars (\$1,265);

17 (iii) Multiply the item (ii) result by forty dollars (\$40);

18 (iv) Subtract the item (iii) result from ninety dollars (\$90);

19 (D) If the STEP TWO result is more than five thousand eight hundred twenty-five dollars
20 (\$5,825); multiply by fifty dollars (\$50).

21 STEP FOUR: Add the STEP TWO result and the STEP THREE result.

22 STEP FIVE: Determine the greatest of the following:

23 (A) Multiply the STEP FOUR result by the school corporation's adjusted ADM for the
24 current year.

25 (B) Multiply the school corporation's previous year revenue by one and two-hundredths
26 (1.02).

27 (C) The STEP ONE amount.

28 STEP SIX: Divide the STEP FIVE amount by the school corporation's adjusted ADM for the
29 current year.

30 (e) This subsection applies to calendar years beginning after December 31, 2003. (c) A school
31 corporation's target revenue per ADM for a calendar year is the result determined under STEP NINE
32 EIGHT of the following formula:

33 STEP ONE: Determine the result under clause (B) of the following formula:

34 (A) Determine the result of:

35 (i) four thousand three hundred fifty dollars (\$4,350) in 2004 and four thousand three
36 hundred sixty-eight **seventy** dollars (\$4,368) in 2005; **(\$4,370)**; multiplied by

37 (ii) the index determined for the school corporation under subsection ~~(b)~~ (a) or ~~(c)~~; (b), as
38 applicable.

39 (B) Multiply the clause (A) result by the school corporation's adjusted ADM for the current
40 year.

41 STEP TWO: Determine the result under the following formula:

42 (A) Determine the quotient of:

43 (i) the school corporation's previous year revenue; divided by

44 (ii) the school corporation's ADM for the previous year.

45 (B) Determine the product of:

46 (i) the clause (A) amount; multiplied by

47 (ii) one and two-hundredths (1.02).

48 (C) Determine the product of:



1 (i) the clause (B) amount; multiplied by
 2 (ii) the school corporation's current ADM.
 3 **STEP THREE:** Determine the result under the following formula:
 4 (A) Determine the product of:
 5 (i) the STEP TWO clause (A) amount; multiplied by
 6 (ii) ninety-eight hundredths (0.98).
 7 (B) Determine the product of:
 8 (i) the clause (A) amount; multiplied by
 9 (ii) the school corporation's current ADM.
 10 **STEP FOUR:** Determine the lesser of:
 11 (A) the STEP ONE amount; or
 12 (B) the STEP TWO amount.
 13 **STEP FIVE:** Determine the greater of:
 14 (A) the STEP THREE amount; or
 15 (B) the STEP FOUR amount.
 16 **STEP SIX: TWO:** Divide the school corporation's previous year revenue by the school
 17 corporation's adjusted ADM for the previous year.
 18 **STEP SEVEN:** Determine the product of:
 19 (A) the STEP SIX result; multiplied by
 20 (B) the school corporation's current adjusted ADM.
 21 **STEP EIGHT:** Determine the greatest of the following:
 22 (A) The product of
 23 (i) the school corporation's previous year revenue multiplied by
 24 (ii) one and one-hundredth (1.01).
 25 (B) The STEP FIVE amount.
 26 (C) The STEP SEVEN amount.
 27 **STEP THREE:** Determine the difference resulting from subtracting the STEP TWO
 28 amount from four thousand three hundred seventy dollars (\$4,370).
 29 **STEP FOUR:** Divide the STEP THREE result by:
 30 (A) six (6) in 2006; and
 31 (B) five (5) in 2007.
 32 **STEP FIVE:** A school corporation's STEP FIVE amount is the following:
 33 (A) For a charter school that has previous year revenue that is not greater than zero, ,
 34 the charter school's STEP FIVE amount is the result determined under item (ii) of the
 35 following formula:
 36 (i) Divide the STEP SEVEN amount for the school corporation where the charter
 37 school is located by the school corporation's current ADM.
 38 (ii) Multiply the item (i) amount by the current ADM of the charter school.
 39 (B) The STEP FIVE amount for a school corporation that is not a charter school
 40 described in clause (A) is the following:
 41 (i) The school corporation's STEP ONE amount, if the school corporation's STEP
 42 TWO amount is greater than four thousand three hundred forty-five dollars (\$4,345)
 43 and less than four thousand four hundred twenty dollars (\$4,420).
 44 (ii) The sum of the school corporation's STEP TWO amount and the greater of the
 45 school corporation's STEP FOUR amount or twenty-five dollars (\$25), if the school
 46 corporation's STEP TWO amount is equal to or less than four thousand three hundred
 47 forty-five dollars (\$4,345).
 48 (iii) The difference determined by subtracting the greater of the absolute value of the

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1 school corporation's STEP FOUR amount or fifty dollars (\$50) from the school
2 corporation's STEP TWO amount, if the school corporation's STEP TWO amount is
3 at least four thousand four hundred twenty dollars (\$4,420).

4 **STEP SIX: Determine the product of:**

- 5 (A) the STEP FIVE amount; multiplied by
- 6 (B) the school corporation's current adjusted ADM.

7 **STEP SEVEN: Determine the greater of the following:**

- 8 (A) The school corporation's STEP SIX amount.
- 9 (B) The amount determined under item (iii) of the following formula:
 - 10 (i) Divide the school corporation's previous year revenue by the school corporation's
 - 11 previous year ADM.
 - 12 (ii) Multiply the item (i) result by ninety-seven hundredths (0.97).
 - 13 (iii) Multiply the item (ii) amount by the school corporation's current ADM.

14 **STEP NINE: EIGHT: Determine the quotient of:**

- 15 (A) the STEP EIGHT SEVEN amount; divided by
- 16 (B) the school corporation's current adjusted ADM.

17 **SECTION 98. IC 21-3-1.7-6.8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE**
18 **JANUARY 1, 2006]:** Sec. 6.8. (a) This section does not apply to a charter school.

19 (b) This subsection does not apply after December 31, 2003: A school corporation's target general
20 fund property tax rate for purposes of IC 6-1.1-19-1.5 is the result determined under STEP TWO of
21 the following formula:

22 **STEP ONE:** This STEP applies only if the amount determined in STEP FIVE of the formula in
23 section 6.7(d) of this chapter minus the result determined in STEP ONE of the formula in section
24 6.7(d) of this chapter is greater than zero (0). Determine the result under clause (E) of the
25 following formula:

- 26 (A) Divide the school corporation's 2002 assessed valuation by the school corporation's
27 current ADM.
- 28 (B) Divide the clause (A) result by ten thousand (10,000).
- 29 (C) Determine the greater of the following:
 - 30 (i) The clause (B) result.
 - 31 (ii) Thirty-nine dollars (\$39) in 2002 and thirty-nine dollars and seventy-five cents (\$39.75)
32 in 2003.
- 33 (D) Determine the result determined under item (ii) of the following formula:
 - 34 (i) Subtract the result determined in STEP ONE of the formula in section 6.7(d) of this
35 chapter from the amount determined in STEP FIVE of the formula in section 6.7(d) of this
36 chapter.
 - 37 (ii) Divide the item (i) result by the school corporation's current ADM.
- 38 (E) Divide the clause (D) result by the clause (C) result.
- 39 (F) Divide the clause (E) result by one hundred (100).

40 **STEP TWO:** This STEP applies only if the amount determined in STEP FIVE of the formula in
41 section 6.7(d) of this chapter is equal to STEP ONE of the formula in section 6.7(d) of this
42 chapter and the result of clause (A) is greater than zero (0). Determine the result under clause (G)
43 of the following formula:

- 44 (A) Add the following:
 - 45 (i) An amount equal to the annual decrease in federal aid to impacted areas from the year
46 preceding the ensuing calendar year by three (3) years to the year preceding the ensuing
47 calendar year by two (2) years.
 - 48 (ii) The portion of the maximum general fund levy for the year that equals the original



amount of the levy imposed by the school corporation to cover the costs of opening a new school facility during the preceding year.

(B) Divide the clause (A) result by the school corporation's current ADM.

(C) Divide the school corporation's 2002 assessed valuation by the school corporation's current ADM.

(D) Divide the clause (C) result by ten thousand (10,000).

(E) Determine the greater of the following:

(i) The clause (D) result.

(ii) Thirty-nine dollars (\$39) in 2002 and thirty-nine dollars and seventy-five cents (\$39.75) in 2003.

(F) Divide the clause (B) result by the clause (E) amount.

(G) Divide the clause (F) result by one hundred (100).

STEP THREE: Determine the sum of:

(A) ninety-one and eight-tenths cents (\$0.918) in 2002; and

(B) ninety-five and eight-tenths cents (\$0.958) in 2003; and

if applicable, the STEP ONE or STEP TWO result.

(e) This subsection applies to calendar years beginning after December 31, 2004. (b) A school corporation's target general fund property tax rate for purposes of IC 6-1.1-19-1.5 is the result determined under STEP FOUR of the following formula:

STEP ONE: Determine the amount determined for the school corporation in STEP ONE of the formula in section 6-7(c) 6.7(c) of this chapter.

STEP TWO: This STEP applies only if the amount determined in STEP EIGHT SEVEN of the formula in section 6-7(c) 6.7(c) of this chapter minus the STEP ONE result is greater than zero

(0). Determine the result under clause (E) of the following formula:

(A) Divide the school corporation's assessed valuation by the school corporation's current ADM.

(B) Divide the clause (A) result by ten thousand (10,000).

(C) Determine the greater of the following:

(i) The clause (B) result.

(ii) ~~Forty-three~~ **Thirty-six** dollars and ~~sixty-five~~ **thirty** cents (\$43.65). **(\$36.30).**

(D) Determine the result determined under item (ii) of the following formula:

(i) Subtract the STEP ONE result from the amount determined in STEP EIGHT SEVEN of the formula in section 6-7(c) 6.7(c) of this chapter.

(ii) Divide the item (i) result by the school corporation's current ADM.

(E) Divide the clause (D) result by the clause (C) result.

(F) Divide the clause (E) result by one hundred (100).

STEP THREE: This STEP applies only if the amount determined in STEP EIGHT SEVEN of the formula in section 6-7(c) 6.7(c) of this chapter is equal to the STEP ONE result and the result of clause (A) is greater than zero (0). Determine the result under clause (G) of the following formula:

(A) Add the following:

(i) An amount equal to the annual decrease in federal aid to impacted areas from the year preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by two (2) years.

(ii) The part of the maximum general fund levy for the year that equals the original amount of the levy imposed by the school corporation to cover the costs of opening a new school facility during the preceding year.

(B) Divide the clause (A) result by the school corporation's current ADM.

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1 (C) Divide the school corporation's assessed valuation by the school corporation's current
 2 ADM.
 3 (D) Divide the clause (C) result by ten thousand (10,000).
 4 (E) Determine the greater of the following:
 5 (i) The clause (D) result.
 6 (ii) ~~Forty-three~~ **Thirty-six** dollars and ~~sixty-five~~ **thirty** cents (\$43.65); **(\$36.30)**.
 7 (F) Divide the clause (B) result by the clause (E) amount.
 8 (G) Divide the clause (F) result by one hundred (100).
 9 STEP FOUR: Determine the sum of ~~sixty-three sixty-seven~~ and ~~seven-tenths five-tenths~~ cents
 10 (\$0.637) **(\$0.675)** and, if applicable, the STEP TWO or STEP THREE result.
 11 (d) For the calendar year beginning January 1, 2004, and ending December 31, 2004, a school
 12 corporation's general fund ad valorem property tax levy is determined under IC 6-1.1-19-1.5(f).
 13 SECTION 99. IC 21-3-1.7-8.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 JANUARY 1, 2006]: Sec. 8.2. (a) As used in this section, "transfer amount" means the product of:
 15 (1) a school corporation's assessed valuation for calendar year 2002 divided by one hundred
 16 (100); multiplied by
 17 (2) the lesser of:
 18 (A) three hundred twenty-eight ten-thousandths (0.0328); or
 19 (B) the school corporation's capital projects fund tax rate for calendar year 2002 multiplied
 20 by five-tenths (0.5).
 21 (b) This subsection applies to calendar years ending before January 1, 2004. Notwithstanding
 22 IC 21-3-1.6 and subject to section 9 of this chapter, the state distribution for a calendar year for tuition
 23 support for basic programs for each school corporation equals the result determined using the
 24 following formula:
 25 STEP ONE:
 26 (A) For a school corporation not described in clause (B), determine the school corporation's
 27 result under STEP FIVE of section 6.7(d) of this chapter for the calendar year.
 28 (B) For a school corporation that has target revenue per adjusted ADM for a calendar year that
 29 is equal to the amount under STEP ONE (A) of section 6.7(d) of this chapter, determine the
 30 sum of:
 31 (i) the school corporation's result under STEP ONE of section 6.7(d) of this chapter for the
 32 calendar year; plus
 33 (ii) the amount of the annual decrease in federal aid to impacted areas from the year
 34 preceding the ensuing calendar year by three (3) years to the year preceding the ensuing
 35 calendar year by two (2) years; plus
 36 (iii) the part of the maximum general fund levy for the year that equals the original amount
 37 of the levy imposed by the school corporation to cover the costs of opening a new school
 38 facility during the preceding year.
 39 STEP TWO: Determine the sum of:
 40 (A) the school corporation's tuition support levy;
 41 (B) the school corporation's excise tax revenue for the year that precedes the current year by
 42 one (1) year;
 43 (C) for the last six (6) months of calendar year 2002, the school corporation's transfer amount;
 44 plus
 45 (D) for the first six (6) months of calendar year 2003, the school corporation's transfer amount.
 46 The amount determined under this STEP for a charter school is zero (0).
 47 STEP THREE: Determine the difference between:
 48 (A) the STEP ONE amount; minus



1 (B) the applicable STEP TWO or STEP THREE amount.
2 (c) This subsection applies to calendar years beginning after December 31, 2003: (a)
3 Notwithstanding IC 21-3-1.6 and subject to section 9 of this chapter, the state distribution for a
4 calendar year for tuition support for basic programs for each school corporation equals the result
5 determined using the following formula:

6 STEP ONE:

7 (A) For a school corporation not described in clause (B), determine the school corporation's
8 result under STEP EIGHT SEVEN of section 6.7(c) 6.7(c) of this chapter for the calendar
9 year.

10 (B) For a school corporation that has target revenue per adjusted ADM for a calendar year that
11 is equal to the amount under STEP ONE (A) of section 6.7(c) 6.7(c) of this chapter, determine
12 the sum of:

- 13 (i) the school corporation's result under STEP ONE of section 6.7(c) 6.7(c) of this chapter
14 for the calendar year; plus
15 (ii) the amount of the annual decrease in federal aid to impacted areas from the year
16 preceding the ensuing calendar year by three (3) years to the year preceding the ensuing
17 calendar year by two (2) years; plus
18 (iii) the part of the maximum general fund levy for the year that equals the original amount
19 of the levy imposed by the school corporation to cover the costs of opening a new school
20 facility during the preceding year.

21 STEP TWO: This STEP applies to a school corporation that is not a charter school. Determine
22 the sum of:

- 23 (A) the school corporation's tuition support levy; plus
24 (B) the school corporation's excise tax revenue for the year that precedes the current year by
25 one (1) year.

26 STEP THREE: This STEP applies to a charter school. Determine the product of:

- 27 (A) the amount determined under STEP EIGHT SEVEN of section 6.7(c) 6.7(c) of this
28 chapter for the charter school; multiplied by
29 (B) thirty-five hundredths (0.35).

30 STEP FOUR: Determine the difference between:

- 31 (A) the STEP ONE amount; minus
32 (B) the STEP TWO or STEP THREE amount, as applicable.

33 (d) (b) If the state tuition support determined for a school corporation under this section is negative,
34 the school corporation is not entitled to any state tuition support. In addition, the school corporation's
35 maximum general fund levy under IC 6-1.1-19-1.5 shall be reduced by the amount of the negative
36 result.

37 SECTION 100. IC 21-3-1.7-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY
38 1, 2005 (RETROACTIVE)]: Sec. 9. (a) Subject to the amount appropriated by the general assembly
39 for tuition support, the amount that a school corporation is entitled to receive in tuition support for a
40 year is the amount determined in section 8.2 of this chapter.

41 (b) If the total amount to be distributed as tuition support under this chapter, for enrollment
42 adjustment grants under section 9.5 of this chapter, for at-risk programs under section 9.7 of this
43 chapter, for academic honors diploma awards under section 9.8 of this chapter, for supplemental
44 remediation grants under section 9.9 of this chapter, for primetime distributions under IC 21-1-30, for
45 special education grants under IC 21-3-2.1, and for vocational education grants under IC 21-3-12 for
46 a particular year, exceeds:

- 47 (1) three billion five hundred eighty million dollars (\$3,580,000,000) in 2003;
48 (2) three billion six hundred seventy-six million dollars (\$3,676,000,000) in 2004; and



~~(3)~~ (1) three billion seven hundred ~~twenty-one~~ **fifty-seven** million **three hundred thousand** dollars ~~(\$3,721,000,000)~~ **(\$3,757,300,000)** in 2005;
(2) **three billion six hundred ninety-four million dollars (\$3,694,000,000)** in 2006; and
(3) **three billion six hundred seventy-six million two hundred thousand dollars (\$3,676,200,000)** in 2007;

the amount to be distributed for tuition support under this chapter to each school corporation during each of the last six (6) months of the year shall be **proportionately** reduced by the same dollar amount per ADM (as adjusted by IC 21-3-1.6-1.1) so that the total reductions equal the amount of the excess. **The amount of the reduction for a particular school corporation is equal to the total amount of the excess multiplied by a fraction. The numerator of the fraction is the amount of the distribution for tuition support that the school corporation would have received if a reduction were not made under this section. The denominator of the fraction is the total amount that would be distributed for tuition support to all school corporations if a reduction were not made under this section.**

SECTION 101. IC 21-3-1.7-9.8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: Sec. 9.8. (a) In addition to the distributions under ~~sections~~ **section 8.2 9-5; 9-7; and 9-9** of this chapter, a school corporation is eligible for an honors diploma award in the amount determined under STEP TWO of the following formula:

STEP ONE: Determine the number of the school corporation's eligible pupils who successfully completed an academic honors diploma program in the school year ending in the previous calendar year.

STEP TWO: Multiply the STEP ONE amount by nine hundred ~~sixty-three~~ dollars ~~(\$963)~~. **(\$900)**.

(b) Each year the governing body of a school corporation may use the money that the school corporation receives for an honors diploma award under this section to give nine hundred ~~sixty-three~~ dollars ~~(\$963)~~ **(\$900)** to each eligible pupil in the school corporation who successfully completed an academic honors diploma program in the school year ending in the previous calendar year.

SECTION 102. IC 21-3-1.7-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. This chapter expires January 1, ~~2006~~. **2008.**

SECTION 103. IC 21-3-2.1-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 10. This chapter expires January 1, ~~2006~~. **2008.**

SECTION 104. IC 21-3-12-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 12. This chapter expires January 1, ~~2006~~. **2008.**

SECTION 105. IC 21-6.1-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) The board shall segregate the fund into the following accounts:

(1) The pre-1996 account.

(2) The 1996 account.

(b) The board shall segregate each of the accounts established under subsection (a) into the following subaccounts:

(1) The annuity savings account.

(2) The retirement allowance account.

(c) Except as provided in subsection (d), member contributions shall be credited to the annuity savings accounts within the pre-1996 account.

(d) Member contributions made after June 30, 1995, with respect to **only** the following members shall be credited to the annuity savings account within the 1996 account:

(1) A member who was hired after June 30, 1995, by a school corporation or other institution covered by the fund.

(2) A member who:

(A) before July 1, 1995, served in a position covered by the fund; and



(B) after June 30, 1995, and before July 1, 2001, was:

(i) hired by another school corporation or institution covered by the fund; or

(ii) rehired by a prior employer.

(3) A member described in subdivision (2) who, after June 30, 2001, is hired by another school corporation or institution covered by the fund or rehired by a prior employer.

A member that is a member of the pre-1996 account on June 30, 2005, remains a member of the pre-1996 account and does not become a member of the 1996 account, regardless of whether the member is hired or rehired by a school corporation or institution covered by the fund after June 30, 2005.

(e) Member contributions made to the pre-1996 account with respect to a member covered by subsection (d) shall be transferred to the annuity savings account within the 1996 account.

(f) Employer contributions made after June 30, 1995, with respect to members described in subsection (d) shall be credited to the retirement allowance account within the 1996 account. Employer contributions made after June 30, 1995, with respect to all other members shall be credited to the retirement allowance account within the pre-1996 account.

(g) Employer contributions, if any (as determined by the board), made to the pre-1996 account with respect to a member covered by subsection (d) shall be transferred to the retirement allowance account within the 1996 account.

(h) The board shall administer these accounts and subaccounts as specified in IC 5-10.2-2.

SECTION 106. P.L.224-2003, SECTION 174 IS REPEALED [EFFECTIVE JANUARY 1, 2005] (RETROACTIVE)].

SECTION 107. IC 14-11-2-3 IS REPEALED [EFFECTIVE UPON PASSAGE].

SECTION 108. THE FOLLOWING ARE REPEALED [EFFECTIVE JANUARY 1, 2006]: IC 21-2-4-7; IC 21-2-11.5-5; IC 21-2-15-13.1; IC 21-3-1.7-6; IC 21-3-1.7-9.5; IC 21-3-1.7-9.7; IC 21-3-1.7-9.9; IC 21-3-4.5.

SECTION 109. P.L.224-2003, SECTION 173, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2006]: SECTION 173. (a) Notwithstanding IC 21-3-1.6-1.2 as added by this act, and IC 21-3-1.7, the tuition support determined under IC 21-3-1.7-8 (repealed) and IC 21-3-1.7-8.2 for a school corporation shall be reduced as follows:

(1) For 2001, the previous year's revenue determined without regard to IC 21-3-1.6-1.2 as added by this act, shall be reduced by an amount determined under the following STEPS:

STEP ONE: Determine the difference between:

(A) the school corporation's average daily membership count for 2000, without regard to IC 21-3-1.6-1.2; as added by this act; minus

(B) the school corporation's average daily membership count for 2000, as adjusted by the school corporation under this act after applying IC 21-3-1.6-1.2. as added by this act.

STEP TWO: Determine the result of:

(A) the school corporation's previous year's revenue under IC 21-3-1.7-3.1, without regard to IC 21-3-1.6-1.2; as added by this act; divided by

(B) the school corporation's average daily membership for 2000, without regard to IC 21-3-1.6-1.2. as added by this act.

STEP THREE: Multiply the STEP ONE result by the STEP TWO result.

STEP FOUR: Multiply the STEP THREE result by one-third (1/3).

(2) For 2002, the previous year revenue determined without regard to IC 21-3-1.6-1.2 as added by this act, shall be reduced by an amount equal to the result under the following:

(A) Determine the result of:

(i) the amount determined under STEP THREE of subdivision (1); minus

(ii) the amount determined under STEP FOUR of subdivision (1).



1 (B) Divide the clause (A) result by three (3).
2 (C) Multiply the clause (B) result by one and three-hundredths (1.03).
3 (3) For 2003, the previous year revenue determined without regard to IC 21-3-1.6-1.2 as added
4 by this act, shall be reduced by an amount equal to the reduction amount under subdivision (2)
5 multiplied by one and two-hundredths (1.02).
6 (4) For 2005, the product of:
7 (A) the reduction amount under subdivision (3) divided by three (3); multiplied by
8 (B) one and three-hundredths (1.03).
9 (5) For 2006 and 2007, the product of:
10 (A) the reduction amount under subdivision (4) divided by three (3); multiplied by
11 (B) one and one-hundredth (1.01): (1).
12 (b) This SECTION expires January 1, 2008.
13 SECTION 110. [EFFECTIVE JULY 1, 2005] **Notwithstanding IC 5-10.2 and IC 21-6.1, the**
14 **maximum employer contribution rate that school corporations may be required to pay after**
15 **December 31, 2005, and before January 1, 2008, to the Indiana state teachers' retirement fund**
16 **(IC 21-6.1-2), as computed under IC 5-10.2-2 and certified under IC 21-6.1-7-12, for teachers**
17 **covered by the 1996 account, including a proportionate share of administration expenses for the**
18 **1996 account, may not exceed seven percent (7%).**
19 SECTION 111. [EFFECTIVE JANUARY 1, 2005 (RETROACTIVE)] (a) The department of
20 education shall adjust distributions made to a school corporation, including a charter school,
21 after the effective date of this SECTION to eliminate the difference between the state primetime
22 distribution that the school corporation, including a charter school, received in 2005, as a result
23 of IC 21-1-30-3, as amended by P.L.224-2003, SECTION 141, and the state primetime
24 distribution to which the school corporation, including a charter school, is entitled to receive in
25 2005 under IC 21-1-30-3, as amended by this act.
26 (b) Subject to this subsection, the adjustments required under this SECTION shall be made
27 on the schedule determined by the department of education. Five twelfths (5/12) of the reduction
28 must be made in the period beginning after December 31, 2004, and ending before July 1, 2005.
29 The remaining seven twelfths (7/12) of the reduction must be made in the period beginning after
30 June 30, 2005, and ending before January 1, 2006.
31 SECTION 112. [EFFECTIVE JULY 1, 2005] IC 21-2-11.5-3, as amended by this act, applies to
32 property taxes imposed for an assessment date after February 28, 2005, and first due and
33 payable after December 31, 2005.
34 SECTION 113. [EFFECTIVE UPON PASSAGE] On the effective date of this SECTION, the
35 powers of the department of natural resources to establish fees are transferred to the natural
36 resources commission. After the effective date of this SECTION, the natural resources
37 commission may exercise any power delegated to the department of natural resources to
38 establish fees, and a rule of the department of natural resources that establishes a fee for any of
39 the following shall be treated as a rule of the natural resources commission:
40 (1) Programs of the department of natural resources or the natural resources commission.
41 (2) Facilities owned or operated by the department of natural resources or the natural
42 resources commission or a lessee of the department of natural resources or the natural
43 resources commission.
44 (3) Licenses issued by the natural resources commission, the department of natural
45 resources, or the director of the department of natural resources.
46 (4) Inspections or other similar services under IC 14 performed by the department of
47 natural resources or an assistant or employee of the department of natural resources.
48 SECTION 114. [EFFECTIVE UPON PASSAGE] (a) The department of education shall adjust



1 distributions made to a school corporation, including a charter school, after the effective date
2 of this SECTION to eliminate the difference between the state primetime distribution that the
3 school corporation, including a charter school, received, as a result of IC 21-1-30-3, as amended
4 by P.L.224-2003, SECTION 141, and the state primetime distribution to which the school
5 corporation, including a charter school, is entitled to receive under IC 21-1-30-3, as amended
6 by this act.

7 (b) The adjustments required under this SECTION shall be made on the schedule determined
8 by the department of education.

9 SECTION 115. [EFFECTIVE UPON PASSAGE] (a) The commission for higher education shall
10 complete the establishment of the initial core transfer library under IC 20-12-0.5-8(18), as
11 amended by this act, for at least seventy (70) courses and the initial articulation agreements for
12 at least twelve (12) degree programs under IC 20-12-0.5-8(19), as amended by this act, before
13 July 1, 2006. State educational institutions shall assist the commission for higher education
14 necessary to comply with this SECTION.

15 (b) This SECTION expires June 30, 2007.

16 SECTION 116. [EFFECTIVE UPON PASSAGE] (a) This SECTION does not apply to the
17 following:

18 (1) A state educational institution (as defined in IC 20-12-0.5-1).

19 (2) A political subdivision (as defined in IC 36-1-2-13).

20 (b) Any exemption that:

21 (1) is granted by law to a body corporate and politic or other instrumentality that
22 established to carry out a state governmental purpose; and

23 (2) exempts the body corporate and politic or other instrumentality from the application
24 of IC 4-10, IC 4-12-1, IC 4-13-2, IC 4-22, IC 5-11-1, or IC 5-19-1;

25 is terminated.

26 (c) The legislative council shall provide for the preparation of legislation for introduction in
27 the 2006 session of the general assembly to amend or repeal any laws that are in conflict with
28 this SECTION.

29 SECTION 117. An emergency is declared for this act.

(Reference is to HB 1001 as introduced.)

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1001, has had the same under consideration and begs leave to report the same back to the House with the recommendation that that said bill be AMENDED as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration and to make an appropriation.

Delete everything after the enacting clause and insert the following:

(SEE TEXT OF BILL)

and when so amended that said bill do pass.

(Reference is to HB 1001 as introduced.)

ESPICH, Chair

Committee Vote: yeas 15, nays 10.

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